

3 1761 11970571 3

HANDBOUND
AT THE



UNIVERSITY OF
TORONTO PRESS

CA1 XC 34
-N12

Government
Publications

Canada. Parliament. House of
Commons

Standing Committee on National defence
minutes of proceedings and evidence



Digitized by the Internet Archive
in 2023 with funding from
University of Toronto

<https://archive.org/details/31761119705713>

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament

1966

STANDING COMMITTEE

ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1-16

TUESDAY, MARCH 1, 1966

THURSDAY, MAY 5, 1966 - 67

- February 9

Respecting

Main Estimates 1966-67 of the
Department of National Defence

Including a statement on Foreign Affairs presented by the Hon.
Paul Martin to the Standing Committee on External Affairs,
on April 4, 1966.

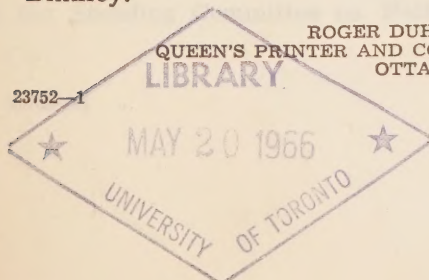
WITNESSES:

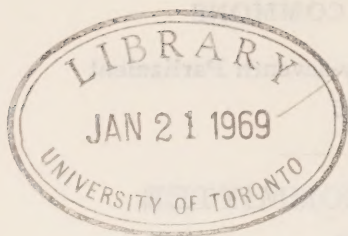
The Hon. Paul Hellyer, Minister of National Defence; Brigadier L. E.
Kenyon, Director General of Intelligence, and Staff Officers Group
Captain B. H. B. Moffit, Commander J. Cumming and Major W.
Binkley.

ROGER DUHAMEL, F.R.S.C.

QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

23752-1





STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Hopkins,	Mr. Matheson,
Mr. Carter,	Mr. Langlois	Mr. McNulty,
Mr. Deachman,	(Chicoutimi),	Mr. Orange,
Mr. Dinsdale,	Mr. Langlois (Mégantic),	Mr. Rock,
Mr. Dubé,	Mr. Laniel,	Mr. Smith,
Mr. Éthier,	Mr. Lessard,	Mr. Stefanson,
Mr. Fane,	Mr. MacLean (Queens),	Mr. Winch—(24).
Mr. Harkness,	Mr. MacRae,	

Hugh R. Stewart,

Clerk of the Committee.

Mr. Foy replaced Mr. Orange on March 16, 1966.

Mr. Grills replaced Mr. Dinsdale on March 21, 1966.

ORDERS OF REFERENCE

HOUSE OF COMMONS,

MONDAY, February 7, 1966.

Resolved,—That the following Members do compose the Standing Committee on National Defence:

Messrs.

Brewin,	Harkness,	MacRae,
Carter,	Hopkins,	Matheson,
Deachman,	Lambert,	McNulty,
Dinsdale,	Langlois (<i>Chicoutimi</i>),	Nixon,
Dubé,	Langlois (<i>Mégantic</i>),	Smith,
Fane,	Laniel,	Stefanson,
Foy,	Lessard,	Rock,
Groos,	MacLean (<i>Queens</i>),	Winch—(24).

TUESDAY, February 22, 1966.

Ordered,—That the name of Mr. Andras be substituted for that of Mr. Nixon on the Standing Committee on National Defence.

WEDNESDAY, February 23, 1966.

Ordered,—That the names of Messrs. Orange and Stafford be substituted for those of Messrs. Lessard and Langlois (*Chicoutimi*) on the Standing Committee on National Defence.

THURSDAY, February 24, 1966.

Ordered,—That the names of Messrs. Lessard and Langlois (*Chicoutimi*) be substituted for those of Messrs. Orange and Stafford on the Standing Committee on National Defence.

MONDAY, February 28, 1966.

Ordered,—That the names of Messrs. Ethier and Orange be substituted for those of Messrs. Andras and Foy on the Standing Committee on Defence.

WEDNESDAY, March 16, 1966.

Ordered,—That the name of Mr. Foy be substituted for that of Mr. Orange on the Standing Committee on National Defence.

MONDAY, March 21, 1966.

Ordered,—That the name of Mr. Grills be substituted for that of Mr. Dinsdale on the Standing Committee on National Defence.

TUESDAY, March 22, 1966.

Ordered,—That, saving always the powers of the Committee of Supply in relation to the voting of public monies, the items listed in the Main Estimates for 1966-67, relating to the Department of National Defence be withdrawn from the Committee of Supply and referred to the Standing Committee on National Defence.

Attest

LÉON-J. RAYMOND
The Clerk of the House.

MINUTES OF PROCEEDINGS

TUESDAY, March 1, 1966.

(1)

The Standing Committee on National Defence met at 10.10 a.m. this day for the purpose of organization.

Members present: Messrs. Brewin, Carter, Deachman, Dinsdale, Dubé, Ethier, Fane, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, Lessard, MacLean (*Queens*), MacRae, Matheson, McNulty, Orange, Rock, Smith, Stefanson (21).

Moved by Mr. Deachman, seconded by Mr. Dubé,

That Mr. David Groos do take the Chair of this Committee as Chairman.

On motion of Mr. MacLean (*Queens*), seconded by Mr. Stefanson, nominations were closed.

Mr. Groos was declared duly elected Chairman. He took the Chair, thanked the Committee for the honour conferred upon him and referred briefly to the Committee Orders of Reference.

On motion of Mr. MacLean (*Queens*), seconded by Mr. Stefanson, Hon. Marcel Lambert was elected as Vice-Chairman of the Committee.

On motion of Mr. McNulty, seconded by Mr. Éthier,

Ordered,—That pursuant to Standing Order 65(4) the Committee print from day to day 1000 copies in English and 500 copies in French of its Minutes of Proceedings and Evidence.

On motion of Mr. Rock, seconded by Mr. Lessard,

Resolved,—That a Subcommittee on Agenda and Procedure comprised of the Chairman, the Vice-Chairman and 5 members to be named by the Chairman, be appointed.

A question was raised respecting the desirability of the Committee seeking authority from the House to consider certain "Special Studies" that had been prepared in 1964-65 on matters relating to Defence. This question was referred to the Steering Subcommittee.

Various other suggestions respecting the future work of the Committee were discussed and the Members concerned were advised to place their suggestions before the Steering Subcommittee.

At 10.20 a.m. the Committee adjourned to the call of the Chair.

E. W. Innes,

Acting Clerk of the Committee.

THURSDAY, May 5, 1966.

(2)

The Standing Committee on National Defence met (*in camera*) at 9.40 a.m. this day, the Chairman, Mr. Groos, presiding.

Members present: Messrs. Brewin, Carter, Dubé, Ethier, Fane, Foy, Grills, Groos, Harkness, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, Lessard, MacLean (*Queens*), MacRea, Matheson, McNulty, Rock, Smith, Stefanson, Winch (22).

In attendance: The Hon. Paul Hellyer, Minister of National Defence; Brigadier L. E. Kenyon, Director General of Intelligence and Staff Officers, Group Captain B. H. B. Moffit, Commander J. Cumming and Major W. Binkley.

The Chairman referred to the Committee's Order of Reference dated March 22, 1966. He announced that in addition to Mr. Lambert and himself, Messrs. Hopkins, MacLean (*Queens*), McNulty and Mr. Winch have been selected as members of the Sub-Committee on Agenda and Procedure.

The Chairman stated that members of the Standing Committee on National Defence had been present at a meeting of the Standing Committee on External Affairs on April 4, 1966. At that time, the following members of the Committee were present: Messrs. Brewin, Carter, Deachman, Dubé, Fane, Foy, Grills, Groos, Harkness, Lambert, Lessard, Matheson, McNulty, Rock and Mr. Stefanson (15).

The Chairman further stated that on that occasion, the Hon. Paul Martin, Secretary of State for External Affairs had made an extensive statement on foreign affairs and he suggested that this statement should be printed as part of this Committee's Proceedings.

On motion of Mr. Rock, seconded by Mr. Fane,

Resolved,—That the Committee incorporate, as an appendix to this day's Minutes of Proceedings, the statement of the Secretary of State for External Affairs to the meeting of the Standing Committee on External Affairs on April 4, 1966.

The Chairman called the first item of the estimates:

Item 1. Departmental Administration etc., \$5,640,000.

The Chairman then read the *First Report of the Subcommittee on Agenda and Procedure* which is as follows:

Your Subcommittee recommends that, during the Committee's consideration of the Estimates of the Department of National Defence, the following procedure be followed:

- (a) The first item (Departmental administration) be called, and that discussion and questions of a general nature be permitted, but questions that clearly relate to specific items be postponed until the appropriate item has been reached;
- (b) When the general discussion is completed, the first item be allowed to stand for further consideration and the Committee proceeded to consider and approve the subsequent items;

- (c) Members of the House of Commons, who have been officially designated to the Committee, may be permitted to carry on the initial questioning respecting each item, but, prior to the approval of each item by the Committee, other members of the House of Commons also may have an opportunity to pose questions to the witnesses;
- (d) When all of the items have been approved, except the first item, the Committee will return to further consideration of that item, at which time all unanswered questions may be dealt with and unfinished business completed;
- (e) The first item of the estimates will then be approved, or otherwise dealt with, and the Committee will proceed to prepare its Report to the House.

On motion of Mr. Brewin, seconded by Mr. Foy, the said report was approved.

The Chairman mentioned that another meeting of the Steering Subcommittee will be held in the near future to map out the Committee's future proceedings. It was agreed that questions which members intend to ask at future meetings could be submitted in writing beforehand. In the case of the more detailed questions, these could be submitted to the Steering Subcommittee for its attention.

The Chairman welcomed the Minister who asked Brigadier Kenyon and his staff to conduct the briefing. The Committee was given an *in camera* briefing on defence matters.

The Committee adjourned at 11.05 a.m. to the call of the Chair, on motion of Mr. Matheson.

Hugh R. Stewart,
Clerk of the Committee.

APPENDIX

STATEMENT ON FOREIGN AFFAIRS

By

Honourable Paul Martin, Secretary
Of State For External Affairs

To The

Standing Committee On External Affairs
April 4, 1966

Mr. MARTIN (*Essex East*): I understood from you, Mr. Chairman, that the steering committee wished me, on the first item, to make a statement on the general position that Canada has taken on some of the vital problems facing the international community to-day. I think it would be useful to discuss three that are of major concern to us in Canada: NATO, Viet Nam, and Rhodesia. If it was agreeable to the committee I would proceed to give the government's views with regard to these three problems, and in that order.

Before doing that I wonder if I could take advantage of this meeting of the committee to recall that on March 23, I announced that the government proposed to ask Parliament to approve a major expansion in our food aid program for India in the coming year, we had decided to play our part in helping India to meet its current emergency by providing one million tons of food to that country. There is to be a meeting in Washington late today or tomorrow morning, and I would like to make a further announcement in this connection.

I now wish to advise the committee the government proposes to take an additional step to assist India. A sum of approximately \$19 million remains to be paid by India as principal and interest on two loans which the government made in 1958 to cover the purchase of Canadian wheat and flour. It is proposed to forgive the remaining payments on these two loans as a means of providing additional help to India in its difficult balance of payments situation which has deteriorated significantly as a result of foreign exchange costs caused by drought and other factors. The first of the remaining payments was due on March 31. My colleague, the Minister of Finance, has signed agreement with the Indian High Commissioner to postpone this payment pending approval by Parliament to cancel the full amount of \$10 million which is outstanding. The agreement provides immediate relief in the amount of approximately \$3.7 million, which this payment represents. The cancellation of the outstanding debt will be additional to the food aid for India to which I have referred and which will cost about \$71 million in this calendar year.

I am sure that members of the committee will agree that this represents a significant Canadian response to the very serious emergency that prevails in India at the present time. We hope that at tomorrow's meeting there will be a comparable response from other countries to the serious situation that faces the Indian nation.

Mr. Chairman, I welcome this opportunity of laying before the committee the Canadian view on a number of issues in this critical period. I would like to discuss the NATO situation as frankly as I can with members of the committee. It will be understood, of course, that there will have to be bilateral negotiations between the government of Canada and the government of France. There will also have to be negotiations between the 14 other member states in the organization and France. There will therefore be areas where it will not be possible for me—and, I am sure this will be understood—to reveal a Canadian position or, in some cases, to have a firm Canadian position until such time as there has been the fullest consultation between the 14 member states which are involved in this negotiation with the government of France.

Mr. CHURCHILL: But, you have to have a position if you are going to consult.

Mr. MARTIN (*Essex East*): Well, there are some positions that the government has taken but before it can reveal what these positions are it would want to advise its partners. There will be other situations where there will be no position taken until such time as there has been consultation and agreement. For instance, what happens to SHAPE? That is a matter for the 14 members. The position the government of Canada takes with regard to particular bases that it has occupied is a matter for Canada.

Article XIII of the North Atlantic Treaty permits signatories to opt out in 1969, the 20th anniversary of its conclusion. The year 1969, for this good reason, has been regarded as the year for stocktaking. It was with this in mind that in December, 1964, I proposed on behalf of the Canadian government, at the NATO ministerial meeting, that the North Atlantic Council should undertake a review of the future of the alliance. Although this proposal was approved by the 14 other members of the NATO alliance, nevertheless, the idea was not pursued because the President of France had begun to articulate his nation's dissatisfaction with the NATO organization and no one wanted to precipitate a premature confrontation.

It is now less than a month since the French government first formally informed their NATO allies of their decision to withdraw from the integrated defence arrangements. I have given the House the text of the two notes setting out the French position. I have copies of these notes available, and they easily can be distributed to members of the committee, together with the text of the Canadian reply to the first French note. We have not replied yet to the second note.

Mr. McINTOSH: Mr. Martin, will they be supplied without asking for them?

Mr. MARTIN (*Essex East*): Yes. If it is your wish, it may be convenient that the notes be made an appendix to today's proceedings, so they will be fully available for examination by members of the committee.

The CHAIRMAN: Is that agreed?

Some hon. MEMBERS: Agreed.

Mr. MARTIN (*Essex East*): I also have arranged to distribute a book entitled "NATO: Facts about the North Atlantic Treaty Organization", with which some of you undoubtedly are familiar. This book is available in English and French. I think you will find it a very useful source of information. It also includes a collection of basic documents including the North Atlantic Treaty and the highly complex set of agreements known as the London and Paris agreements of 1954, which govern Germany's participation in NATO.

My view and that of the government of Canada is that NATO has served a useful purpose. I take it from the reaction the other day to the Canadian position on the French announcement that this view generally speaking reflects the opinion of the political parties in Parliament. We have only to cast our minds back to the immediate post-war period; Europe was then unsteadily extricating itself from the morass left by the second world war and Stalin was pressing in every way to extend his influence through western Europe to the Atlantic. The picture has now changed, as President de Gaulle has said. It is not unreasonable to ask: "Is the alliance still necessary? Is General de Gaulle right in advocating the end of the integrated military organization of the alliance? Is

the strategic concept of the alliance still valid? Is it time to leave the defence of Europe to the Europeans?" These are questions that are being asked at the present time, and they are fair questions. Naturally, by virtue of my own responsibilities, I have been asking myself some of these questions. It may be helpful if I began what I have to say on the situation in NATO resulting from the French action by summarizing the main elements of the position now taken by our NATO ally, France. These comprise:

(1) a decision to withdraw French forces from NATO's integrated military structure and French officers from the integrated headquarters, these decisions to take effect on July 1, 1966;

(2) a decision to require the removal from France of the two integrated military headquarters known as SHAPE and the Central European Command. France has proposed that the removal be completed by April 1, 1967;

(3) a decision to require the withdrawal from France of foreign forces and bases. France has proposed that the United States and Canadian bases be withdrawn by April 1, 1967;

(4) France has indicated a wish to retain its forces in Germany, while transferring them from NATO to French command.

(5) France intends to leave its forces in Berlin, where they are established on the basis of occupation rights and where there is a tripartite command.

(6) France has indicated a willingness to negotiate arrangements for establishing, in peacetime, French liaison missions with NATO commands.

(7) France has indicated a readiness to enter into separate conversations with Canada and the United States to determine the military facilities which the respective governments might mutually grant to each other in wartime.

(8) France intends to remain a party to the North Atlantic Treaty and to participate in the activities of the NATO Council. This, as I understand it, is the position taken by the government of France.

● (10.30 a.m.)

It is only fair to note that these positions have been previously stated, in one form or another, by the President of the French Republic during the last two years.

This last element of the French position is naturally welcomed by the Canadian government as an indication of France's desire to continue its formal association with the other parties to the Treaty. It will, I need hardly add, be the concern of the Canadian government to encourage French participation to the greatest extent feasible.

It is evident that some of the French objectives can be attained by unilateral action; for example, the withdrawal of French troops from SACEUR's command and of French officers from the combined headquarters. Some other objectives will require negotiations over modalities and the timing; for example, the withdrawal of NATO headquarters and of foreign bases from French territory. Finally, some proposals depend on working out arrangements with other members of the Alliance and will involve negotiations on substance; for example, the presence and role of French troops in Germany and the liaison arrangements which might be established between French and NATO commands.

It must be clear to the members of the committee that the French proposals raise a host of problems, the range of which has not been fully determined.

They raise questions with political, military, financial, and legal implications. We are examining these questions with our allies, informally with the 14 other than France and, where appropriate, with France and the 14. We are, as well, engaged in an examination of the contractual situation, and the documentation in that connection is now being carefully examined by our legal officers.

The first French aide-memoire also sets out briefly the reasons which, in the view of President de Gaulle, justify the position which he takes. The following arguments are listed:

First, he argues that the threat to Western Europe has changed and no longer has the immediate and menacing character it once had; he says that the countries of Europe have restored their economies and recovered their earlier strength; he argues that France is developing an atomic armament which is not susceptible of being integrated within the NATO forces; that the nuclear stalemate has transformed the conditions of Western defence; and that Europe is no longer the centre of international crises.

These are observations with which I imagine we are all more or less in agreement. But do they, singly or jointly, justify the conclusion drawn by the French government that integrated defence arrangements are no longer required for the defence of Western Europe?

Let me examine each of the French arguments in turn:

First, the threat to western Europe. Over the years the Soviet Union has steadily strengthened its military forces in eastern Germany and in the European area in general. These forces are now stronger than at any time since the end of the Second World War. While I recognize that the likelihood of an actual attack has diminished, the effectiveness of NATO's defence arrangements has been, and remains, a factor in this favourable turn of events. Moreover, it is considered prudent to base defence policy on the known capabilities of a possible enemy rather than on his declared intentions, or even his supposed intentions as we may rightly or wrongly assess them. To avoid any possible misinterpretation, I also want to make clear my conviction that NATO countries should avoid provocation of the Soviet Union. On the contrary, Canada strongly favours the promotion of better understanding between the Soviet Union and the western countries. But, as the Cuban experience of 1962 demonstrated, progress towards better relations may be greater when it is clear that there is no alternative to accommodation.

Secondly, Europe's recovery: It is, of course, true that the European countries have greatly strengthened their positions in every way. We applaud this development. We know that the generosity of the United States, through the Marshall Plan, greatly contributed to this happy consequence. We have, in fact been assuming that this would in time enable the western European states to take on increasing responsibility for European defence, possibly within the framework of new co-operative arrangements among the European members of the Alliance. The French action may have set back this prospect, as it has the immediate effect of dividing the countries of Europe over what their defence policies should be.

Thirdly, it is a fact that France has developed an independent nuclear force. But, as we see it, this is not an argument against the integration of other forces. The United Kingdom has demonstrated that the acquisition of a strategic

nuclear force does not require the withdrawal of other national forces from the unified command and planning arrangements.

Fourthly, it is true that a nuclear stalemate had developed in place of the earlier United States nuclear monopoly. But this is not new. It has been the case for ten years. Moreover, this fact has not diminished the need for unified planning, if the European countries are to make an effective contribution to the defence of Europe.

Fifthly, I also acknowledge that Europe is not at present the centre of international crises. But until there is a political settlement in Central Europe, it will remain an area of potential crisis, particularly if the arrangements which have brought about stability in the area should be upset.

In my judgment, and in the judgment of the Canadian government, the arguments presented in the French aide-mémoire do not support the conclusion that unified command and planning arrangements are no longer necessary for the defence of Western Europe.

It is striking that all of the other members of NATO have joined in reaffirming their belief in the need for unified command and planning arrangements in a declaration, the text of which I communicated to the House of Commons on March 18. I expect members of the External Affairs committee and the Defence committee will be interested to know that the strongest support for the integrated military arrangements has come from the smaller members of the alliance, who consider that the only way to assure their defence is by pooling their contributions in a common effort. It seems to me that, if the principle of an alliance is accepted, the experience of the last two world wars and the requirements of modern weapons demonstrate the need for unified command and joint planning. Indeed, one of the most remarkable successes of the post-war world has been the development within NATO of effective peace-time arrangements for military co-operation.

I have explained why we and other members of NATO are not persuaded by the French arguments. I wish now to examine the implications of the actions which have been taken by the French government.

Providing NATO itself does not disintegrate—and I see no danger of that happening—the immediate military consequences of the French action are thought to be manageable. France has already withdrawn from NATO command, during the last six years, most of its previously integrated forces. The net loss in forces available to NATO from the announced withdrawal, while significant, will not be too serious, particularly if workable arrangements can be devised for maintaining French troops in Germany. But the loss for practical purposes of French land and air space has strategic implications for the defence of Western Europe, which will have to be carefully studied.

Even more worrying to my mind are the possible political implications. These consequences are, of course, still quite uncertain so that it is possible to speak only in the most general and cautious terms. But it is obvious that the French actions may weaken the unity of the Alliance. This would, in turn, jeopardize the stability of Central Europe, which has been built on allied unity

and particularly on French, British, and American solidarity in Berlin and in Germany. I do not want to elaborate, but it is possible to anticipate that French bilateral relations with some of the NATO allies, particularly those who carry the larger burdens, will be put under strain. The balance of forces within the Alliance will of necessity be altered. Finally, France's example could stimulate nationalist tendencies which have been encouragingly absent in Western Europe since the last war.

The Canadian government is not unsympathetic to many of the considerations which underlie the French wish for change. We know that circumstances in the world have changed since NATO was established. We have long believed that members of the Alliance particularly those such as France which have spoken of the need for change, should present concrete proposals to encourage consultation within the alliance.

It is reasonable to look towards a greater acceptance of responsibility by Europeans for the defence of Western Europe. However, any North American move to disengage militarily from Europe will be dangerously premature until the European countries have made the necessary political and institutional arrangements to take over the responsibilities involved. It follows, at this time of uncertainty about NATO's future, that Canada should avoid action which would create unnecessary strain or otherwise impair the solidarity of the alliance. This need not and should not preclude us from making adjustments, in the interest of economy and efficiency, in the manner in which we contribute to European defence. And we should seek to ensure that there is a constructive evolution in the organization of the alliance; and we should take advantage of the actions taken by the government of France to do exactly what we ourselves proposed in the fall of 1964, which is to engage in serious examination of the state of the alliance.

In so far as the Canadian bases in France are concerned, the government of France has taken unilateral action. It appears to be a final decision. At any rate, it has stated that it would like to see the Canadian bases withdrawn by April 1, 1967. Although I express the hope, and have no doubt, that the French government will be prepared to negotiate mutually acceptable arrangements, including compensation and dates for the withdrawal of the bases. Since the objective of sending Canadian troops to Europe was to contribute to the integrated defence arrangements from which France is withdrawing, this government has accepted the logic that Canadian forces in France cannot outstay their welcome. They will have to be moved elsewhere.

I referred earlier to the determination of other members of NATO to preserve the effective arrangements which have been worked out for joint planning and unified command. This is only prudent and Canada fully shares this determination. This will provide a continuing defence against the Soviet military capacity still directed at western Europe. It will help preserve the precarious stability in Central Europe. Moreover, under the present integrated defence arrangements, there being no German general staff, Germany has placed all its troops directly under NATO commanders. The dismantling of the existing structure would lead to the reversion of all European forces to national command.

● (10.50 a.m.)

Inevitably our attention in the near future will be taken up with handling the immediate consequences of the French action. But we shall not lose sight of the need for NATO to adjust to the changing circumstances since the Alliance was concluded. Indeed, the adjustments which the French action will require of the existing military arrangements provide opportunities, as I said earlier, which we intend to take to examine with our allies the possibilities for developing improvements in the NATO structure and to consider how the Alliance should develop in the long run, and also to consider what reductions and what savings can be effected without impairing the efficiency of the organization, or of our contribution to it.

Although I am speaking about NATO, I wish to emphasize that—to the extent this depends on Canada—we will not allow our disappointment to affect Canada's bilateral relations with France. The Canadian Government has been working steadily to improve and intensify our relations with France. For our part we will not interrupt this process. Differences over defence policy need not impair the development of our bilateral relations in the political, economic, cultural, and technical fields.

For instance, we are sending an economic mission to France within the course of a few weeks, which will be representative both of government and of business, designed to encourage further trade relations between France and Canada. There certainly will be no interruption between these and other contacts that we have established and continue to establish with France. These are matters which can and should be kept separate from defence arrangements within NATO. In all this, we assume that the French government agrees that this is a desirable approach, and we have no reason to doubt that this is their view.

I want to conclude this part of my statement by referring again to the objectives which the Canadian government intends to follow in the situation created by the French action.

In NATO, our policy will be, firstly, to seek, in consultation with our allies, including France as far as possible, to limit the damage to the unity and effectiveness of the Alliance, and to recreate a relationship of mutual confidence among all the members; secondly to help preserve the essential features of NATO's existing system of unified command and joint planning for collective defence; thirdly, to continue to maintain an appropriate contribution to NATO's collective defence system; fourthly, to take every opportunity to examine with our allies possibilities for developing improvements to the NATO structure and to consider the future of the Alliance in the long run.

With regard to France, the Government will firstly, negotiate with either bilaterally or multilaterally as appropriate, fair and reasonable arrangements for those adjustments which may be required as a result of French withdrawal from NATO's integrated defence arrangements; secondly, leave the door open for the eventual return of France to full participation in the collective activities of the Alliance, should France so decide. Finally, we will continue, notwithstanding NATO differences and with the cooperation of the French authorities, to develop our bilateral relations with France.

This, Mr. Chairman, concludes my statement in chief on the NATO situation. I can go on with my statement or I can permit an examination on what I have stated so far by members of the committee, as you wish.

The CHAIRMAN: Is it the wish of the committee to pose questions now on the NATO aspect of the Minister's statement?

Mr. HARKNESS: I think so. I think it would be better to deal with each of these topics as they come up.

Mr. BREWIN: I personally feel differently from Mr. Harkness, Mr. Chairman. It seems to me that we should hear the full statement on the various subjects and have time to consider the statement that is made. Then, after the advantage of thought and study, our questions can perhaps be more to the point than if we proceed immediately.

I only suggest that course, Mr. Chairman. If members of the committee wish to proceed now, that is fine; but that is my personal view.

Mr. MCINTOSH: May I suggest that if we follow Mr. Brewin's suggested course we may not finish with all three today and we may lose continuity in the questions we are going to ask in regard to each topic. We may only finish dealing with NATO in the time allotted to us.

Mr. MACDONALD (*Rosedale*): I think there is merit in Mr. Brewin's point of view. I think it is fairly obvious that we are not going to dispose of even these three subjects to which the Minister has referred this morning. I think it would be of advantage to have the Minister's statement on the record to be examined when the committee reconvenes. Therefore, my recommendation will be that the Minister deal with each subject.

Mr. MATHESON: In view of the grave importance of some of the things the Minister has referred to, I personally would like additional time to prepare questions. I think this is most important. We can proceed to other topics presently available.

Mr. DEACHMAN: Mr. Chairman, if the Minister has a prepared text on the Southeast Asia question, I think to have that on the record in one volume, together with his remarks on NATO, would be very valuable indeed to the committee because a number of us like to distribute copies to people who have been writing to us about it.

I would agree with what Mr. Brewin, Mr. Macdonald and others have said.

Mr. CHURCHILL: When do we meet again, Mr. Chairman?

Mr. MARTIN: I could meet tomorrow morning.

The CHAIRMAN: We could continue tomorrow morning.

Mr. NESBITT: In that case you would not have the copies of today's meeting.

The CHAIRMAN: There might be a problem about meeting tomorrow. The clerk tells me that there is a possibility the committee rooms may not be available tomorrow because there are five other committees meeting. However, we will try to find a room for tomorrow.

Mr. CHURCHILL: I would just say, Mr. Chairman, that as there may be some difficulty about meeting tomorrow, and as there will be an intervening ten-day period it would be better to have the complete statement on this and the other two topics. Then, when we come back after Easter we can take them up one at a time.

The CHAIRMAN: It does appear to be the wish of the majority that Mr. Martin should continue with his statement.

Mr. MARTIN: When I came before the committee on June 10 of 1965 I gave a detailed account of the developments which had led up to the situation at that time in Viet Nam. I said I thought it was difficult to form a judgment of that situation without examining in its proper historical perspective the problem in Viet Nam. I believe the situation is no less true today than it was a little less than a year ago. I know there are interpretations other than that which the Canadian government has placed on the course of events in Viet Nam. Indeed, a great deal of the discussion and dissent which have developed in relation to Viet Nam have focused on the history of the conflict itself. I think, however, that no useful purpose would be served by going again over the ground which we covered last year, but in that context I wish to make two comments.

First, I would like to remind the committee that while there are differences over the antecedents of the present conflict in Viet Nam, the assessment which the government has formed on this subject is an independent assessment resting on a long record of first hand Canadian experience in Indo China. Secondly, if our foreign policy is to have any impact on the present situation, I believe we must now cast our thinking forward rather than backward. I also believe we are unlikely to achieve anything useful by a policy of denunciation which is sometimes being urged on the government by those who take issue with our position.

What we must do is to map out a course which we regard as right and realistic, which takes account of the facts as we know them and which has some prospect of contributing to a peaceful settlement. And this is what we have been trying to do.

There is one matter with which I should like to deal before giving the committee some indication of recent developments in the Viet Nam situation. This is the matter of Canadian participation in the International Commission in Viet Nam.

Members of the Committee will recall that this was the only issue on which the House divided when the estimates of the Department of External Affairs were considered on February 8. I do not pretend—and I do not suppose anyone would pretend—that the Commission is in a position, in present circumstances, to do justice to the mandate with which it was charged by the Geneva powers in 1954. That is not in any way the fault of the Commission which was set up to supervise a cease-fire and not to control an armed conflict. Nevertheless there are—and there will continue to be—a number of good reasons for maintaining the Commission's presence in Viet Nam. Some of these reasons I will be prepared to deal with in interrogation; some of them I will not be able to discuss.

First, none of the interested parties has at any time suggested that the International Commission be withdrawn or its mandate cancelled. Not even the Chinese People's Republic has made this suggestion. On the contrary, it has been confirmed to us within recent weeks both by the Secretary of State of the United States and by senior personalities of the Government of North Viet Nam that they attach importance to a continued Commission presence in Viet Nam. Indeed, the committee might be interested to know that when Victor Moore, our new Commissioner on the Control Commission, made his introductory calls in Hanoi about three and a half weeks ago, it was represented to him that the North Vietnamese government would like to see the Commission hold more of its meetings in Hanoi than has been the case in recent years. I understand that this matter has since been discussed among the Commissioners and that there appears to be general agreement to act on the North Vietnamese suggestion.

I think this would be a good decision, and it would not be establishing a precedent. The Commission at another period has spent more time in Hanoi than it has during the past few years, so there would be no precedent involved in spending a longer period in Hanoi.

Secondly, both North and South Viet Nam continue to look to the Commission to consider and adjudicate their charges of violations of the Cease-Fire Agreement. While there can be legitimate argument over the usefulness of such a procedure in circumstances where the prospects of remedial action are limited, the fact is that the parties do attach importance to this function of the Commission and to the public presentation which the Commission is able to make on the basis of its investigations of breaches of the Cease-Fire Agreement.

Thirdly, if members of the committee examine the Cease-Fire Agreement which was concluded in Geneva in 1954, they will find that the Commission is, in fact, the only tangible instrument of the Geneva settlement as it affects Viet Nam. Even if we were to consider, therefore, that the Commission's presence in Viet Nam in present circumstances is of largely symbolic significance, we cannot, I think, discount the importance of the Commission as a reflection of the continuing interest of the Geneva powers in a situation which engages their international responsibilities.

I may say just by way of parenthesis, to Mr. Harkness, he will remember that during the debate on February 8 he asked me, in a constructive manner, whether perhaps the time has not come when the Commission's role might be abandoned. At that very time I was engaged in considerations that I will later discuss which caused me to feel that the future role of the Commission might indeed prove to be very great.

Mr. HARKNESS: I might just interject, Mr. Chairman, that my suggestion was that the number of control teams, and therefore the number of personnel, might be reconsidered in view of the fact that these control teams are not being allowed to carry out the function which it was anticipated they could carry out when they were sent there.

Mr. MARTIN: That is right; you made that point.

Mr. HARKNESS: That was my suggestion, rather than to do away with it altogether. I think this was my main contention or suggestion.

Mr. MARTIN: Yes.

I think it is fair to say that the elimination of the Commission from the Viet Nam scene in present circumstances would only serve to complicate what is already a situation which is fraught with serious risks for the maintenance of international peace and security.

Fourthly, we have always thought it right to keep open the possibility that the Commission might be able, in the right circumstances, to make a positive contribution to a peaceful settlement of the Viet Nam issue. I think I can say to the committee, without exaggeration, that this possibility has played an increasing part in our thinking about the Viet Nam conflict. I am satisfied that we would be ill advised at this stage to discard an instrument which may yet have a part to play in bringing this issue from the battlefield to the conference table; I am strengthened in this view by the attitude taken by a number of parties concerned and by the strong position taken by the Secretary General of the United Nations.

● (11.10 a.m.)

I now shall turn to some recent developments in the Viet Nam situation. I would like to say something about the pause in the bombing of North Viet Nam which began on Christmas Eve and continued for 37 days until the end of January. The position of the Canadian government for some time previously had been that such a pause could represent a useful opening for a peaceful solution of the Viet Nam issue. It was with this consideration in mind that the Prime Minister had suggested the possibility of a pause in April of last year. The pause which took place in the following months was shortlived and did not produce the results for which we had hoped. When a further pause was initiated by the United States in late December we welcomed this as a genuine contribution to peace and we did what we could, through diplomatic channels, to reinforce the many efforts that then were being made to turn it to good account.

I do not intend to recapitulate those efforts except to say it was a matter of disappointment to us that the prospect of some break in the situation, which the pause might have offered, did not materialize. Nevertheless, we took the view throughout the pause that we hoped it might be extended until all reasonable possibilities of eliciting some response from the other side had been exhausted.

Toward the end of the bombing pause the President of the Democratic Republic of Viet Nam addressed a series of letters to other governments, including the government of Canada. We have studied President Ho Chi Minh's letter with the greatest care and consideration to see, in particular, if it offered any hope of a reversal of the present grave situation in Viet Nam. While it did not appear to us that there were, in fact, new elements in that letter we nevertheless felt it provided a basis on which time it might be possible to explore the position of the North Vietnamese government in greater detail.

That is one reason we decided that the time might be opportune to send a special representative of the Canadian government to Hanoi to present the Canadian reply and, at the same time, to probe the views of the North Vietnamese government on the prospects for a settlement of the Viet Nam issue through other than military means.

I can table the text of our reply which was presented in Hanoi on March 8. This is the reply by the Prime Minister of Canada to President Ho Chi Minh and, if it is your wish, we might make that part of today's records.

The CHAIRMAN: Is that agreed?

Some hon. MEMBERS: Agreed.

Mr. McINTOSH: Could you table both letters, Mr. Martin?

Mr. MARTIN (*Essex East*): Yes. The letter of Ho Chi Minh has been tabled in the House but we can well make that part of this record, if you wish. It would be more convenient.

The CHAIRMAN: Is it agreed to table both letters?

Some hon. MEMBERS: Agreed.

Mr. MARTIN (*Essex East*): Perhaps I should say we did not think it profitable at this stage to enter into a controversy with President Ho Chi Minh over the interpretation of events in Viet Nam which was contained in his letter. Rather, we availed ourselves of this opportunity to re-state the Canadian view that there could be no lasting solution of the present conflict other than through negotiations and to suggest, at the same time, that there might be a contribution which the members of the International Control Commission in Viet Nam could make to that end.

The Viet Nam question was placed before the Security Council at the beginning of February. There has been a good deal of discussion about the wisdom of this step with particular reference to its timing after the bombing of North Viet Nam had been resumed. As far as this government is concerned our position on this matter has remained unchanged. I said in the General Assembly last fall that the United Nations was the place, or one of the places, where the question of Viet Nam should certainly be discussed. We have been aware, of course, that the prospects of the United Nations playing a direct part in relation to the Viet Nam issue in present circumstances was very limited. This is not only because three of the principal parties to the Viet Nam conflict are not members of the United Nations but also because there has been a reluctance on the part of some countries to have brought before the United Nations an issue such as this which directly engages the interests of the great powers.

Nevertheless, it would have been entirely inconsistent with Canadian attitudes and policies to deny, as I say, the right of the United Nations to pronounce itself on an issue which involves the maintenance of international peace and security perhaps more than any other issue at the present time. In our view, the provisions of the Charter in this matter are clear. It is regrettable that the Security Council should not have taken the opportunity of at least recommending to the parties that they seek a peaceful solution of the Viet Nam conflict through the machinery for which they themselves have expressed a clear preference; that is to say, the machinery created in Geneva in 1954.

The inability of the Security Council to deal with this issue has reinforced the judgment which we had formed some time ago, and which was in my mind when the debate in the House of Commons took place in February, that we should look to the International Commission in Viet Nam to see whether, in the

right circumstances, there was not a role which it could play toward bringing about a peaceful settlement of the issue there. This is the direction in which our thinking has been tending since last December, and it is to this aspect of the Viet Nam problem that I want to turn.

The first question that arises is why it should be thought that the International Commission might be able to make a positive contribution to a solution of the Viet Nam conflict. The Commission was brought into being by the Geneva Conference of 1954. We have served on that Commission since that time, along with India and Poland and, as well, we have served on the comparable commissions in Cambodia and Laos. In a sense, the Commission may be said to represent the continuing interest of the Geneva powers in the Viet Nam situation. It is now clear that when the time comes any negotiation of the Viet Nam conflict is likely to be conducted within the Geneva frame of reference. It is natural, therefore, to think of the Commission as an instrument which might be brought into play in preparing the ground for an eventual negotiation.

The question has been raised in our contacts with interested governments whether there is anything in the Geneva cease-fire agreement which confers on the Commission a mandate on the lines we have been considering. I must say that on a strictly legal interpretation of that agreement the answer must be in the negative. But, I do not think anyone who is concerned about the course of developments in Viet Nam would feel justified in looking at this issue only in legalistic terms. We have never looked at it that way. We have never thought of the commission as possessing a role purely on the basis of powers extended to it under the Geneva agreement of 1954; nor, on the other hand are we thinking of any fresh mandate being conferred on the Commission either by the Geneva powers acting collectively or by the Soviet Union and Britain acting jointly in their capacities as co-chairmen of the Geneva conference.

We have informed the Soviet Union; we have informed the United Kingdom government; we have informed other governments of our views as to the role that the Commission might assume, but we have not thought it was necessary to get their authority for making our suggestion. What we have had in mind is something modest and informal; we continue to believe however that our proposal has potential merit. Our proposal was really in the nature of a good offices assignment which would be undertaken not necessarily by the Commission as such but by the three Commission powers acting as sovereign nations, which have been associated with the Viet Nam problem for the past 11 years, and which have established a fair record of co-operation between them. It is our view that the knowledge and experience of the Viet Nam problem of the three Commission powers and the ready access they command to all the interested parties would make the Commission powers a particularly suitable group to carry forward the search for peace in Viet Nam. This is the common objective of the three members of the Commission.

There have been notable attempts made to try and bring about peaceful negotiation in Viet Nam: attempts made by the British; by a good offices body of the Commonwealth; by individual intermediaries, some publicly known and some not; by concerted action on the part of a group of countries, including

Canada; action by Canada itself, for instance, in the visit that Mr. Blair Seaborn made in June, 1965. But, for none of these, other than the visit of Mr. Blair Seaborn, did the mediators know in advance that it would have access both to the government in Saigon and to the government in Hanoi. It must not be forgotten in appraising the role of the Commission that it has direct access to both capitals in the two belligerent areas in the regrettably divided country of Viet Nam. We have of course for some time been supporting in general terms the re-convening of the Geneva Conference. In fact, about a year ago we specifically urged that the Geneva Conference be recalled. Britain herself, as one of the co-chairmen has urged the Geneva powers to meet.

Recently the British Prime Minister discussed this matter with Mr. Kosygin when he suggested that they both might agree to calling a Geneva Conference.

However I should like to make clear that we are not now proposing the calling of a Geneva Conference. We hope the time will come when this will be practicable and possible. I want to make as clear as I can that the proposal we have made for a use of the Commission should not be regarded as an effort to call or persuade the two chairmen of the Geneva Conference to call an immediate conference. We are not pressing such a move at this time because we are certain that such a call in present circumstances would not produce results. Also, we do not think that this is the right approach for the Commission powers at this stage. A reconvened Geneva Conference is and remains, of course, the end result of the development we hope to be able to set in train, but it is not the first step. Indeed, I would be afraid, if we tried to make it the first step, that we are more likely to exhaust than to establish such influence as we may be able to have with the parties principally concerned in the Viet Nam conflict. I have made this clear in talks that I have had with particular parties concerned. Certain propositions have now been put forward on both sides with respect to a settlement of the Viet Nam conflict. There are the four points of the government of Hanoi, the 14 points of the government of the United States, and the four points of the government of South Viet Nam. In a sense this represents the beginning of a process of negotiation. But such a process can be carried only so far by way of public pronouncements. The gap between the positions, particularly of the United States and of the government of North Viet Nam, is still very wide and something will have to be done to narrow it. There is also a barrier of distrust and suspicion that will somehow have to be overcome.

● (11.30 a.m.)

It has seemed to us that this is something which could be pursued cautiously and discreetly by the Commission powers. We are not thinking at this stage of anything other than a good office exercise. The object of such an exercise would be to try to bring about conditions in which the parties themselves might find it possible to engage in direct discussions as a prelude to formal negotiation. In essence, therefore, what we have in mind is an unblocking of channels which, in the absence of such action, are likely to continue to remain closed.

I have already indicated, in general terms, that we have had a series of exchanges about a possible Commission initiative along these lines with India and Poland who are our partners on the Commission. We have put our

position to Britain and the Soviet union as co-chairmen of the Geneva Conference. I have also taken the opportunity personally to discuss the matter with the Secretary General of the United Nations, with Secretary of State Rusk and, through others, with the government of South Viet Nam and the government of North Viet Nam.

Our exchanges with India and Poland must necessarily remain confidential. I think I can say that one common point in their initial reaction had to do with the timing and the circumstances in which any Commission initiative might stand a chance of being acceptable to the parties on the ground. That was one of the considerations we had in mind when we decided to ask Mr. Chester Ronning, a distinguished former member of our foreign service, to pay special visits to Saigon and Hanoi early last month. I know that the members of the committee will not expect me to go into details about his mission, or his future participation. It must be apparent that this is a significant assignment.

On these visits he had a full opportunity of discussing with senior personalities in both capitals their views of the present Viet Nam situation and the possibility of the Commission powers playing some part in opening up avenues which might ultimately lead to a peaceful settlement of the conflict. You will appreciate that it would not be helpful for me at this stage to disclose the contents of the discussions which Mr. Ronning had on his visits to Saigon and Hanoi or even the possibilities which they may help to open up. All I would like to say is that the results of these visits have in no way seemed to me to foreclose a Commission role in the right circumstances. In the meantime we are continuing our exchanges with India and Poland in response to their own indications that they would like to see these discussions carried forward.

Turning to another aspect of the Viet Nam problem the significance of the meeting in Honolulu between U.S. and South Vietnam leaders was that it laid the groundwork for a comprehensive program of social and economic reform in South Viet Nam. All of us recognize, I think, the very great problems which the implementation of a program of this magnitude poses in any developing country. These problems are bound to be even greater in a context of continuing armed conflict and in circumstances where positive results can so easily be negated. Nevertheless, we believe that the renewed emphasis that is now being placed on the social and economic aspects of the problem in Viet Nam is the right emphasis. It is calculated to contribute to a more stable and progressive society in which the ordinary Vietnamese may be able to feel that his interests are actively engaged.

Recent developments in South Viet Nam have underlined once again what I regard as the crucial problem in that country, which is that of achieving a stable political basis. This is not a problem that is confined to that country; it is a problem in many of the new countries which lack the resources to meet the mounting aspirations of their people for a better life. But it is aggravated in South Viet Nam by the disruption which has been caused by subversion and armed conflict.

It is my understanding that the tenor of much of the current protest in South Viet Nam is to the effect that only a broadly based civilian government will provide a basis on which the South Vietnamese can be expected to take the

decisions which are certain to face them in the months and years to come. We must be careful, however, not to draw false inferences from what is currently going on in South Viet Nam. In particular, I think it would be wrong to conclude that these manifestations of political dissent are based on support for the concept of a government which was composed of representatives of the Viet Cong or which included their participation. There are many strands to the current dissent in South Viet Nam but that, according to the best information available to me, is not one of them.

There is a great deal of public concern in Canada, as in other countries, with the situation in Viet Nam. As I interpret this concern, it is based on the risks that are inherent in the present situation and on the desire to see a fair and equitable peace established in an area which has been convulsed by conflict for the past twenty years. We share this concern. As a member of this Commission, with special responsibilities, we have felt that our position was not precisely that of other countries and of other governments. We feel very strongly that, if we are going to reach a settlement in this matter, every instrument that is capable of being used to encourage negotiation must be used.

We are strongly of the view—and we are not without considerable encouragement and support for this view—that the Commission has a role and that we, as a member of that Commission at the present time, have a role, and we are seeking to take advantage of this opportunity to the fullest extent possible.

I want to acknowledge that there have been other proposals made by a number of governments. One of them was a proposal made by His Holiness Pope Paul VI. I told his spokesman, on behalf of the government of Canada, that his proposal for entrusting to the alliance of NATO powers the responsibility of arbitration was one that would receive Canadian support. Unhappily, for practical reasons—and I suppose these included the fact that the offer was not accepted by the other side—the proposal was not realized. But I wish now to acknowledge a note that we have had from the Secretary of the Vatican State, indicating their approval of the Canadian initiative.

I want to acknowledge, as well, the efforts being made by other bodies and other agencies, and I wish to say that Canada is prepared to support any effort that will help to bring about the beginning of negotiations.

That is all I have to say on Viet Nam.

Mr. CHURCHILL: May I suggest at this point, Mr. Chairman, that we take a short recess.

The CHAIRMAN: Yes; we will break for five minutes.

On resuming.

The CHAIRMAN: Order, please.

Mr. MARTIN: It is to be expected that, although we have had debate in the House of Commons, there should be a government statement on the Rhodesian situation as we see it in this committee.

This declaration of independence has precipitated an African crisis which could have the greatest implications for the Commonwealth. The illegal regime

in Rhodesia is attempting to perpetuate a system whereby the white settlers, who are 1/16 of the population, maintain effective political domination over the black majority who are 15/16 of the population.

● (12.00 noon)

This has naturally placed a severe strain on relations within the multiracial Commonwealth and between the West and African states.

I should emphasize at the outset that Rhodesia is British territory. The illegal declaration of independence of November 11, 1965 has not been accepted by Britain, or any other state, and the British Government remains responsible for this territory and for the conditions to govern Rhodesian independence. Negotiations between the British and Rhodesian governments went on for several years before the illegal declaration of independence last November by Mr. Smith. The negotiations were broken off by the Rhodesians. It then fell to the British Government to decide how to restore a legal situation in Rhodesia, and the decision was to employ economic measures rather than force. Throughout, Britain has clearly had the primary responsibility for Rhodesia. It is the colonial power.

At the same time, in view of Rhodesia's importance to race relations in Africa, and, in view of the multi-racial nature of the Commonwealth, Britain has fully recognized that the Rhodesian question is a matter of legitimate and strong Commonwealth concern. At the 1964 Prime Ministers' Conference, there was an extensive discussion of Rhodesia and a lengthy reference to the question in the communiqué, which includes a statement of the view of Commonwealth Prime Ministers that independence should take place on the basis of majority rule and that a unilateral declaration of independence would not be recognized. The issue was discussed in 1965 and again referred to in the communiqué in which the Commonwealth Prime Ministers reaffirmed—all of them—that they were "irrevocably opposed" to any U.D.I.

Up to last November, Canada had normal relations with the Rhodesian government, and the Canadian Government had already sent a confidential message to the Rhodesian government some time before the 1965 Conference pointing out the grave consequences of a unilateral declaration of independence. This warning was repeated again in the succeeding months.

I myself received representatives of the government of Rhodesia during the last two and a half years prior to U.D.I. and explained our position, as have other governments in and outside the Commonwealth.

After the unilateral declaration of independence, many Commonwealth countries reacted very strongly, as had been generally anticipated. Various African governments argued that Britain should use force in putting down the illegal Smith régime, as Britain had already done in dealing with civil disorders and revolts in other colonies and dependencies. The Council of Ministers of the Organization of African Unity passed a resolution early in December calling on all member states to sever relations with Britain if the Smith régime was not "crushed" before mid-December. Following this resolution, various countries, including two Commonwealth members, Ghana and Tanzania, withdrew their Missions from London. In an attempt to minimize the damage of this breach, Canada assumed the role of protecting power for Britain in Tanzania and for

Tanzania in Britain. Ghana has since restored diplomatic relations. It is a matter of great significance to Commonwealth unity when action of this kind takes place.

It was in these circumstances that the Nigerian government took the initiative in proposing a special Commonwealth conference on Rhodesia. As in the past, one of the purposes of the Conference was to discuss differing opinions on how to deal with the Rhodesian issue so that these differing opinions should not result in a split in the Commonwealth along racial lines.

I would not want to disguise in any way our concern as of last December about what the action of countries in withdrawing missions from a Commonwealth country could mean to Commonwealth unity. We are heartened, however, by the fact that President Nyerere did indicate that in withdrawing his mission from London there was no intention on the part of Tanzania to withdraw from the Commonwealth. Our concern about this Rhodesian question was not fully but largely based upon our concern for the continued integrity and unity of the Commonwealth, an organism which we believe plays a very vital role at the present time.

At the Lagos Conference, Britain welcomed the proposal of Prime Minister Pearson which led to the establishment of two continuing Commonwealth committees. The most important of these, the Sanctions Committee, now chaired by the Canadian High Commissioner in London, is maintaining a review of the sanctions against Rhodesia and considering ways and means of making them more effective. When he was in Ottawa last week, Mr. Chevrier and I had a very useful discussion and reviewed the work of the Committee. It is due to meet again this week. Its tasks include co-ordinating aid to Zambia which, of course is an integral aspect of the Rhodesian situation. A second Commonwealth committee is planning a large-scale program of training for Rhodesian Africans which will come into effect when constitutional government is restored. This will help to prepare the ground for a viable independent state under a multi-racial administration by training for their new responsibilities leaders, officials, and technicians from the African majority. These committees are a new type of Commonwealth machinery in that they have been established by the Prime Ministers for a limited and finite purpose and with some duties which are of a rather wider and less technical nature than those normally carried out by Commonwealth institutions.

The work of these committees was naturally among the subjects discussed with the Commonwealth Secretary-General, Mr. Arnold Smith, during his visit to Ottawa last week. This was a valuable opportunity to discuss many aspects of the Rhodesian question, particularly from the point of view of its implications for the Commonwealth. I may not agree with the kind of emphasis that Mr. Arnold Smith gave to this question, but I will agree that the implications of the Rhodesian problem for peace in the world are very great.

Rhodesia is not, of course, of concern only to the Commonwealth and to Africa.

World concern about Rhodesia has been expressed through the United Nations, and the Rhodesia problem has been before the General Assembly

and Security Council of the United Nations a number of times in the past three or four years. The issues involved must be understood in the light of developments in modern Africa with its many new sovereign independent states.

After the unilateral declaration of independence, it was the British Government itself which raised the issue in the Security Council. Britain asked the members of the United Nations to join with her in making effective the economic measures taken against Rhodesia. It was obvious that the co-operation of other nations, particularly the principal trading nations of the world, was necessary if the economic sanctions were to be effective.

The experience of the international community with sanctions is very limited. In fact, I think this is the first instance where a program of economic sanctions, even though on a non mandatory basis, has been imposed unless one were to include the decisions of the Security Council in August of 1963 urging member states of the United Nations to take action in regard to the situation in South Africa.

On November 20, the Security Council adopted a resolution by ten votes to none with one abstention recommending the severance of all economic relations between member states and Rhodesia, including an oil embargo.

Canada has acted in support of Britain's policy of ending the illegal situation by non-military means; and, as a member of the Commonwealth, has acted in concert with Britain and other members of the Commonwealth and through Commonwealth institutions. Canadian economic measures have been taken together with other major trading countries, including the U.S.A., and Western European nations, and in compliance with the Security Council resolution of November 20. This is in accordance with the basic Canadian policy of strong support for the U.N. in grave situations of this kind.

The Canadian belief in multi-racialism and non-discrimination has also been a reason for action over Rhodesia.

I am sure that, if such a stand were not taken by a Commonwealth country or by the Commonwealth as a whole, the integrity and the unity of the Commonwealth would be impaired as it has never been before. Canada opposed the unilateral declaration of independence because it was designed to perpetuate a system of racial inequality and discrimination wholly inconsistent with the basic principle of the new multi-racial Commonwealth. If the Commonwealth is to be maintained, I repeat, Canada cannot give comfort to those who support racial discrimination.

I can very well understand that there may be views of members of the committee that are not completely consistent with government policy but that nevertheless appear to give recognition to the multi-racial character of the Commonwealth.

The Canadian government sincerely believed that Rhodesia should not become independent on the basis of the 1961 constitution unless it was substantially modified. In theory, the 1961 constitution could eventually produce majority rule in the country, when sufficient Africans reached the required property and educational level to obtain the franchise for election to 50 out of

the 65 seats in the Rhodesian Legislative Assembly. These educational and property qualifications are so high in terms of conditions in Rhodesia that only a very small percentage of the Africans in Rhodesia qualify to vote for these 50 seats. The qualifications of the remaining 15 seats are lower and all but one are now occupied by Africans. However, 14 seats out of 65 is a long way short of a majority. Mr. Smith and his followers have made it plain that they did not expect Africans to become the majority of the electorate in their lifetime. It seems clear that the Smith government made its illegal declaration because Mr. Smith and his followers were unwilling to accept the basis which would assure the attainment of a fair political voice to the majority of the population within a reasonably short period rather than the very long and indefinite period desired by the illegal government of Mr. Smith. They knew that the consent of the people of Rhodesia as a whole required by Britain would not be given to independence based on the 1961 constitution as it stood.

Public opinion in Canada and other Commonwealth countries could not contemplate as a fellow member a country which practised discrimination not only through the franchise but in a variety of ways. Rhodesian legislation keeps for the exclusive use of white settlers much of the best agricultural land in Rhodesia. The illegal régime has imposed press and radio censorship of increasing intensity. Hundreds of Africans, and one white Rhodesian, have been interned or restricted without trial for political reasons.

I should point out that the Rhodesian crisis threatens not only relations within the Commonwealth but also Western relations with Africa in general, good relations between the races all over Africa, and stability within African countries. Economic development is being threatened by this instability and by trade dislocation resulting from the necessary economic sanctions. This is not only damaging to Africa but to Western economic relations with that continent both in the short and long term.

Another basic reason why Canada is applying economic sanctions to Rhodesia is that such means are much preferable to the use of force which is always to be avoided if possible.

I can say to the committee that the possible use of force in certain situations in this matter must be regarded with the gravest concern. It is not merely a question of police action; this is a situation that could have implications and consequences far beyond the mere exercise of police power.

Military operations could have explosive effects on the whole of Africa and grave international repercussions. The British have not precluded the use of force to restore law and order in Rhodesia, but the British government has declared that it is unwilling to use force in existing circumstances, and this is a matter where the British government alone is constitutionally responsible.

The sanctions campaign against the illegal regime which has only been in operation for a relatively short time, as I stated in the House of Commons, has not produced the swift results that some had expected but there is no doubt that the sanctions are adversely affecting the Rhodesian economy. How long it would take for this campaign to produce the desired result I do not know. It is a field in which predictions are inherently difficult. In this case also, the result

may well be obtained at a point well short of economic collapse. When Mr. Smith's followers realize that the growing economic dislocation resulting from the UDI is not a temporary phenomenon but rather that their trade will continue indefinitely and progressively to be damaged by sanctions and that their economic prospects are distinctly bleak, they should realize their mistake in backing his illegal action. It is therefore very important to keep up the economic pressure on the illegal régime to make clear to its supporters that there is to be no slackening but rather an increase in the efforts of countries applying the sanctions. We attach importance to the general embargo on exports to Rhodesia by the United States on March 18.

What action will be taken in the United Nations if the sanctions do not give evidence of greater success remains to be seen. Action under Chapter VII of the United Nations Charter could be confined to oil sanctions, or it could be confined to other sanctions.

Speaking for the Canadian government and knowing what this means to the Commonwealth as a whole, we cannot in any way relent in our conviction and in our effort, within the limitations that we have prescribed for ourselves, to see this matter through. Nothing less than the interests of the Commonwealth is involved in this situation.

A major Canadian contribution, apart from the total embargoes on exports and imports that we have authorized, has been the Canadian contribution to the Zambia airlift. This airlift was necessitated by the action of the illegal regime in cutting off the supply of oil products to Zambia in December of last year after the embargo commenced against Rhodesia. Zambia was almost wholly dependent on Rhodesia for oil products from the refinery inside Rhodesia.

● (12.20 p.m.)

Now, far from being ineffective, this airlift has enabled Zambia to maintain and build up its oil stocks to the point where, with increased use of road transportation, the airlift itself may be reduced or become unnecessary in a few weeks time. This has been a useful undertaking and one most effectively carried out by the Royal Canadian Air Force. Our participation was originally intended for a period of one month, starting late in December. We subsequently agreed at the request of the British and Zambian governments to continue the airlift until the end of April. The position now is being reviewed. I might say that the airlift has cost Canada up to March 31, \$1,125,000. I have thought it desirable to emphasize the effectiveness of this particular effort because of the criticisms that have been made over the weekend about it.

We have to consider the question of Rhodesia alongside other questions that require settlement at this particularly difficult period in our relations with other countries in the Commonwealth, in the United Nations and outside. Our policies in respect of all of these questions is a reflection of the responsibility of any state in the interdependent world in which we live to make its contribution toward removing international sources of friction and to the establishment of peace in the world.

Mr. McINTOSH: Mr. Martin, I intended to ask a question on orders of the day but this was prior to the knowledge I had that this meeting was to take

place. If I can ask this question now rather than in the House I would like to do so at this time.

Mr. MARTIN (*Essex East*): I have no objection to answering questions for the remainder of our meeting.

Mr. McINTOSH: My question arises out of an article that appeared in the *Toronto Daily Star* on Friday, March 25, written by J. L. Howson, a Toronto freelance writer. Before I make reference to this may I say that what you have told us this morning has some bearing on it. I was surprised to hear you say that the matter of Rhodesia getting out of the Commonwealth was a responsibility of the Commonwealth rather than the concern of the Commonwealth because when South Africa, Ghana and Tanzania got out I would say that was a concern of the Commonwealth and not a responsibility of the Commonwealth. This writer makes reference to the Lagos conference held in January. I will read only those parts I have underlined:

It was launched in mid-February with the opening of the third British-Canadian radio transmitter for propaganda bombardment.

Command of all three transmitters, and their unusual schedule of programs, is centred in distant Lagos and London, at the newly established Commonwealth Secretariat, as proposed, ratified, and co-financed by the Canadian Prime Minister at the Lagos Conference in January.

Now, with regard to these programs, according to the writer;

One voice specializes in techniques of knifing and throat-cutting, and in how, and where, to stab what part of the body, when only kitchen knives are available. At all hours, they give explicit do-it-yourself instructions in all three languages. A knowledgeable specialist carefully analyzes the easiest ways to make a petrol bomb. Certain broadcasters specialize in techniques of arson,—

Now, is Canada in any way contributing financially to these programs?

Mr. MARTIN (*Essex East*): No. I know nothing whatsoever about these programs. The C.B.C. international service advised us that it has not carried any broadcasts attacking Rhodesia as such. In its news broadcasts it has, of course, carried items on Canadian policies toward Rhodesia. However I know nothing about these broadcasts you mention and, in so far as the Canadian government is concerned, it has not authorized and has not contributed to these programs if, in fact, they exist.

Mr. McINTOSH: The same writer goes on to suggest that Mr. Pearson, our Prime Minister, has made a private deal with Mr. Harold Wilson to force a switch of London tobacco buying into Canada. Is there any deal between our Prime Minister and Mr. Harold Wilson in this regard?

Mr. MARTIN (*Essex East*): No.

The CHAIRMAN: Gentlemen, on your behalf, it is my pleasure to thank Mr. Martin for his presentation.

Mr. NESBITT: Mr. Chairman, it is almost 12.30. I know there are a number of other things to be discussed but perhaps we could start a question period at this time.

The CHAIRMAN: I should add that Mr. Martin will be available tomorrow, if we should decide to hold a meeting. But, there are many problems involved. There are five other committees meeting tomorrow, plus the Parliamentary Association, and this means that we might have some problems, first of all, in getting a quorum and, secondly in locating a room. Perhaps it is the wish of the committee to have the next meeting with Mr. Martin after Easter, at which time we will have copies of his statement available. Is that agreeable?

Some hon. MEMBERS: Agreed.

The CHAIRMAN: Could I have a motion for adjournment?

Mr. LAMBERT: Mr. Chairman, although I am not a member of your committee I think for the purpose of the Defence Committee, it would be most instructive, in the light of most recent developments, if Mr. Martin could give us a statement on Cyprus and I would ask that this statement be given at a very early date.

Mr. MARTIN (*Essex East*): You mean right now?

Mr. LAMBERT: No, at your next meeting.

Mr. MARTIN (*Essex East*): Oh, sure.

Mr. DEACHMAN: Mr. Chairman, before we adjourn, may I say that I looked a little closer into the matter of this committee meeting tomorrow morning. The situation is that there is space available only in room 371 between 9.30 and 11 o'clock and the committee could be accommodated during that time. During that time there would be an overlapping of committees for only two of your members. I realize this is a pretty tight situation but that is all that is available for us. I will leave it to you, Mr. Chairman, to decide whether or not you should avail yourself of that time or whether you feel it would be more advantageous to wait until after the Easter recess.

The CHAIRMAN: Shall someone make a motion that we adjourn to the call of the Chair?

Mr. MARTIN (*Essex East*): Mr. Chairman, may I make one comment. I do not know what Mr. Lambert had in mind with regard to Cyprus, but I want to make it clear that there is no impairment of the effectiveness of the United Nations force in Cyprus, even though there has been a withdrawal by one country of its forces since the renewal of the mandate.

Mr. NESBITT: Mr. Chairman, I move we adjourn.

The CHAIRMAN: Before we adjourn may I say that the Department of External Affairs has made available a small supply of blue books on Rhodesia and I would ask those of you who are interested in Rhodesia to pick up a copy from the Clerk.

APPENDIX "A"

NATO—AIDE MEMOIRE FROM FRANCE TO CANADA OF MARCH 10, 1966

For some years the French Government has stressed on many occasions, both publicly and in conversations with Allied governments, its view that the North Atlantic Treaty Organization no longer meets, as far as the French Government is concerned, the conditions which prevail in the world at the present time and which are basically different from those prevailing in 1949 and the following years.

2. In fact, the threat which weighed upon the Western world, particularly in Europe and which was the reason for the conclusion of the Treaty has changed in nature. It no longer presents the immediate and menacing character it once had. At the same time, the European countries have restored their economies and, as a consequence, are recovering their former strength. France in particular is developing an atomic armament, which, by its very nature, precludes its integration. In the third place, the nuclear balance between the Soviet Union and the United States of America which has replaced the monopoly held by the latter, has transformed the general conditions of Western defence. Finally, it is a fact that Europe is no longer the center of international crises. This center has moved elsewhere, notably to Asia, where the Atlantic Alliance countries are as a whole not evidently involved.

3. This evolution in no way leads the French Government to question the Treaty signed in Washington on April 4, 1949. In other words, and barring developments which, in the years to come, might basically modify relations between east and west, it does not intend to avail itself in 1969 of the provisions of Article 13 of the Treaty, and it considers that the Alliance should remain in being as long as the need appears evident.

4. The above position having been stated unequivocally the problem of the Organization itself arises, that is to say all agreements, arrangements and decisions subsequent to the signing of the Treaty, whether they be multilateral or bilateral in form. The French Government considers that this Organization no longer corresponds to what in its opinion seems to be required.

5. One could undoubtedly have envisaged that negotiations could have been undertaken to modify by common consent the provisions in force. The French Government would have been happy to propose this had it had reason to believe that such negotiations would have led to the result it has in mind. Unfortunately everything indicates that such an attempt would be doomed to fail since all of France's partners seem or profess openly to favour maintaining the status quo, or reinforcing all that which is henceforth unacceptable from the French point of view.

6. France accordingly is led to recognize the consequences for it in this situation and to take the measures which seem required and which in its opinion are not in the least incompatible with its participation in the Alliance

nor in military operations with its Allies should the need arise. Already in the past the French Government has taken steps of this nature with regard to its naval forces serving with NATO whether in the Mediterranean or in the Atlantic. What is now in question are its land and air forces stationed in Germany and assigned to the Allied Command in Europe. France intends to bring their assignment to an end. This decision will entail France's simultaneous withdrawal from the two integrated commands under which its forces are serving and to which it is contributing within the framework of NATO, i.e. the Supreme Allied Command in Europe and the Central Europe Command, and consequently the transfer of the headquarters for these two commands outside French territory. The implementation of all these measures raises of course a number of problems, which the French Government is now prepared to discuss with its allies. There will be a need to consider the liaison which should be established between the French Command and NATO Command as well as to determine the conditions under which French forces, particularly, in Germany, would participate in wartime, should Article 5 of the Washington Treaty be evoked, in joint military actions, with reference to Command and operations themselves. This implies in particular that French land and air forces which are stationed at present in Germany would be maintained in that country under the agreements of October 23, 1954. This for its part the French Government is disposed to do.

7. Consideration should be given, on the other hand, to problems which may present themselves to France with regard to the Military Committee and the Standing Group, including the problem of liaison between these bodies and the French Command.

8. Such are the broad outlines of measures contemplated by the French Government which it regards as necessary to adapt to new conditions the modalities of its participation in the Atlantic Alliance. It is prepared to enter discussions with regard to the implementation of these measures, and it hopes that appropriate arrangements may be agreed upon by all its Allies.

9. Multilateral problems are not however the only ones to be considered as far as Canada and France are concerned. Both countries have concluded agreements in the past concerning the construction and the operation of airports on French territory intended for the use of the Royal Canadian Air Force.

10. The French Government considers that these agreements no longer meet present conditions, which lead it to recover the full exercise of its sovereignty on French territory, or in other words no longer to accept that foreign units, installations or bases in France should in any way be responsible to authorities other than French. It is ready to examine, and eventually to settle with the Government of Canada, the practical consequences this policy entails.

11. Moreover the French Government is ready to discuss the military facilities which could be placed at the disposal of the Government of Canada on French territory in the event of a conflict to which both countries would participate under the Atlantic Alliance. These facilities could be the object of an Agreement to be concluded between both Governments.

APPENDIX "B"

AIDE MEMOIRE

(Handed on the 29th of March to Mr. Hervé Alphand, Secretary-General of the Ministry of Foreign Affairs, by Mr. Jules Leger, Canadian Ambassador to France.)

The Canadian Government acknowledges the receipt of the French Aide Memoire of March 10, setting out the French Government's general views and intentions with regard to NATO's military arrangements and to arrangements between Canada and France concerning the stationing in France of Canadian forces assigned to NATO command. The Canadian Government is examining the implications and consequences of the French position which, while not all entirely clear, will evidently require allied consultation. The Canadian Government will make known its own views in due course.

APPENDIX "C"

AIDE-MEMOIRE FROM FRANCE TO CANADA OF MARCH 29

In an aide-memoire dated March 10, the French Government informed the Government of Canada of the measures it was led to take, as far as it was concerned, because of the impossibility of modifying by common consent and under satisfactory conditions the arrangements in force within the North Atlantic Treaty Organization. This impossibility has just been confirmed by the Declaration issued on March 18 by fourteen member countries of the Atlantic Alliance, including Canada itself.

The French Government has the honour of giving fuller particulars below concerning the measures contemplated.

1. The French Government has announced that it proposed to end the assignment to the Allied Command, Europe of French land and air forces stationed in Germany. It has the honour to inform the Government of Canada that this assignment will come to an end on July 1.

2. The restoration of solely national command over French forces will entail the withdrawal, on the same date, of French personnel assigned to the Integrated Allied Commands. These are the Supreme Command, Allied Forces in Europe, the Central Europe Command, the Southern Europe Command and their subordinate Commands, as well as the NATO Defence College. The staff personnel and the French students of the NATO Defence College will be withdrawn following the current term, which ends on July 23.

The French Government believes that, after French participation has ceased, it would be appropriate to establish liaison missions to the headquarters concerned. French officers would thus be on hand, more particularly to assist Allied general staffs in operations concerning the withdrawal from French territory. The establishment of these liaison facilities with the Allied Commands would also facilitate the study of conditions under which French forces, particularly in Germany, should they remain stationed on the territory of the Federal Republic, could participate in wartime in joint military actions, both with regard to command arrangements and to operations proper. It is specified, in this connection, that on the hypothesis envisaged, the French forces would be stationed in Germany under the Convention of October 23, 1954 concerning the stationing of foreign forces on the territory of the Federal Republic of Germany.

3. The withdrawal of French component units assigned to the Allied general staffs (Supreme Command and Central Europe) and to the NATO Defence College entails the transfer from French territory of the headquarters of these organizations.

It seems that a period of one year would allow the necessary measures to be taken to this effect and that by April 1, 1967 the whole operation could be completed.

Consequently the French Government, under Article 16 of the Protocol of August 28, 1952 on the Status of International Military Headquarters, will notify the Government of the United States of the termination of this Protocol, which will cease to be in force on March 31, 1967.

4. Of course, the above indications are far from a complete list of the problems to be settled concerning NATO. The French Government is ready to discuss these other problems, on a bilateral or a multilateral basis, whichever seems appropriate.

5. The French Government, in its earlier message, informed the Government of Canada that it considered that certain bilateral agreements between France and Canada were no longer in accord with present conditions, which lead it to recover the full exercise of its sovereignty on French territory. Moreover, these agreements would no longer be applicable in their essence, in view of the measures taken by the French Government concerning its participation in the Atlantic Organization. It seems, in a general way, that this same date of April 1, 1967 would be appropriate to complete the necessary operations, such as the transfer of various installations intended for the Royal Canadian Air Force.

The French Government is ready to open conversations immediately with the Government of Canada concerning practical arrangements which would be desirable on these various points relating to bilateral agreements.

Finally, if the Government of Canada so desires, the French Government is also ready to enter into conversations to determine the military facilities, mentioned in the aide-memoire of March 10, that both Governments could mutually grant to each other in the event of a conflict in which both countries were engaged through the Atlantic Alliance.

APPENDIX "D"

(Translation)

President
of the Democratic Republic
of Viet Nam

Hanoi, January 24, 1966

H. E. Mr. Lester Bowles Pearson
Prime Minister of Canada,
Ottawa

Your Excellency,

I have the honour to call Your attention to the war of aggression waged by the U.S. imperialists in our country, Viet Nam.

Over the past 11 years and more, the United States has been seriously sabotaging the 1954 Geneva Agreements and preventing the peaceful reunification of Viet Nam in an attempt to turn South Viet Nam into a U.S. new-type colony and military base. It is now waging a war of aggression and barbarously repressing the patriotic struggle of our fellow-countrymen in the South. At the same time, it tries to draw experiences from this war to repress the national liberation movement in other countries.

In an endeavour to get out of the quagmire in South Viet Nam, the U.S. imperialists have massively increased the strength of the U.S. expeditionary corps and sent in troops from a number of their satellites to wage direct aggression in South Viet Nam. They have also launched air attacks on the Democratic Republic of Viet Nam, an independent and sovereign country.

While intensifying and extending the war of aggression in Viet Nam, the U.S. imperialists are clamouring about their "desire for peace" and their "readiness to engage in unconditional discussions", in the hope of fooling world public opinion and the American people. Recently, the Johnson Administration has initiated a so-called "search for peace", and put forward a 14-point proposal. As an excuse for its war of aggression in South Viet Nam, it claims that it is "keeping its commitments" to the Saigon puppet administration; it slanders the patriotic struggle of the people of South Viet Nam, calling it "an aggression by North Viet Nam". This deceitful contention can in no way rub out the solemn declaration made by the United States in Geneva in 1954 that "it will refrain from the threat or the use of force to disturb them (i.e. the Geneva Agreements)". Still less can President Johnson's hypocritical allegations conceal the U.S. crimes in Viet Nam.

The United States talks about respecting the Geneva Agreements. But one of the main provisions of the said agreements bans the introduction of foreign troops into Viet Nam. If the United States really respects the Agreements, it must withdraw all U.S. and satellite troops from South Viet Nam.

It is crystal-clear that the United States is the aggressor who is trampling underfoot the Vietnamese soil. The people of South Viet Nam are the victim of aggression and are fighting in self-defence. If the United States really wants peace, it must recognize the South Viet Nam National Front for Liberation as the sole genuine representative of the people of South Viet Nam, and engage negotiations with it. In accordance with the aspirations of the people of South Viet Nam and the spirit of the 1954 Geneva Agreements on Viet Nam, the National Front for Liberation is fighting to achieve independence, democracy, peace, and neutrality in South Viet Nam, and to advance towards the peaceful reunification of the fatherland. If the United States really respects the right to self-determination of the people of South Viet Nam, it cannot but approve this correct program of the National Front for Liberation.

The 14 points of the United States boil down in essence to this: the United States is trying hard to cling to South Viet Nam, to maintain there the puppet administration rigged up by it, and to perpetuate the partition of Viet Nam.

In his January 12, 1966 message read before the U.S. Congress, President Johnson affirmed that it was the policy of the United States not to pull out of South Viet Nam, and he forced the Vietnamese people to choose between "peace and the ravages of a conflict". That is an impudent threat, an attempt to impose on the Vietnamese people the conditions of the so-called U.S. "unconditional discussions".)

The Vietnamese people will never submit to the U.S. imperialists' threats.

At the very moment when the U.S. Government puts forward the so-called new "peace efforts", it is frantically increasing the U.S. strength in South Viet Nam. It is stepping up the terrorist raids, resorting to the "scorched earth" policy, burning all, destroying all, killing all, using napalm-bombs, poison gases and toxic chemicals to burn down villages and massacre the civilian population in vast areas of South Viet Nam.

I strongly protest against such extremely barbarous methods of warfare. I earnestly call on all peace-loving governments and peoples the world over to resolutely stay the hands of the U.S. war criminals.

The United States keeps sending its planes on espionage flights in preparation for new air attacks on the Democratic Republic of Viet Nam.

On the other hand, it is launching air attacks on many areas in the Kingdom of Laos, and multiplying armed provocations against the Kingdom of Cambodia, thus posing an even more serious menace to peace in Indo-China.

Obviously, the U.S. "Search for peace" is only designed to conceal its schemes for intensified war of aggression. The Johnson administration's stand remains: aggression and expansion of the war.

To settle the Viet Nam question, the Government of the Democratic Republic of Viet Nam has put forward the four-point stand which is an expression of the essential provisions of the 1954 Geneva Agreements on Viet Nam. This is a stand of peace.

Having gone through over 20 years of war, the Vietnamese people desire peace more eagerly than any one else to build their life. But real peace can by

no means be dissociated from genuine independence. So long as the U.S. army of aggression still remains on our soil, our people will resolutely fight against it. If the U.S. Government really wants a peaceful settlement, it must accept the four-point stand of the Government of the Democratic Republic of Viet Nam, and prove this by actual deeds; it must end unconditionally and for good all bombing raids and other war acts against the Democratic Republic of Viet Nam. Only in this way can a political solution to the Viet Nam problem be envisaged.

Your Excellency,

Canada is a member of the International Commission for the Supervision and Control of the implementation of the 1954 Geneva Agreements on Viet Nam.

In face of the extremely serious situation brought about by the United States in Viet Nam, I hope that Your Government will fulfil its obligations under the Geneva Agreements.

I take this opportunity to renew to Your Excellency the assurances of my high consideration.

HO CHI MINH

President

of the Democratic Republic of Viet Nam

FOUR-POINT STAND OF THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF VIET NAM

The unswerving policy of the Government of the Democratic Republic of Viet Nam is to strictly respect the 1954 Geneva Agreements on Viet Nam, and to correctly implement their basic provisions as embodied in the following points:

1. Reaffirmation of the basic national rights of the Vietnamese people: peace, independence, sovereignty, unity and territorial integrity. In accordance with the Geneva Agreements, the U.S. Government must withdraw from South Viet Nam all U.S. troops, military personnel and weapons of all kinds, dismantle all U.S. military bases there, cancel its "military alliance" with South Viet Nam. The U.S. Government must end its policy of intervention and aggression in South Viet Nam. In accordance with the Geneva Agreements, the U.S. Government must stop its acts of war against North Viet Nam, cease all encroachments on the territory and sovereignty of the Democratic Republic of Viet Nam.

2. Pending the peaceful reunification of Viet Nam, while Viet Nam is still temporarily divided into two zones, the military provisions of the 1954 Geneva Agreements on Viet Nam must be strictly respected: the two zones must refrain from joining any military alliance with foreign countries, and there must be no foreign military bases, troops and military personnel on their respective territory.

3. The internal affairs of South Viet Nam must be settled by the people of South Viet Nam themselves, in accordance with the programme of the South Viet Nam National Front for Liberation without any foreign interference.

4. The peaceful reunification of Viet Nam is to be settled by the Vietnamese people in both zones, without any foreign interference.

This stand unquestionably enjoys the approval and support of all peace- and justice-loving governments and peoples in the world.

The Government of the Democratic Republic of Viet Nam holds that the above-mentioned stand is the basis for the soundest political settlement of the Viet Nam problem. If this basis is accepted, favourable conditions will be created for the peaceful settlement of the Viet Nam problem and it will be possible to consider the reconvening of an international conference of the type of the 1954 Geneva Conference on Viet Nam.

The Government of the Democratic Republic of Viet Nam declares that any approach contrary to the above stand is irrelevant; any approach leading to a U.N. intervention in the Viet Nam situation is also irrelevant, because such approaches are basically at variance with the 1954 Geneva Agreements on Viet Nam.

(Excerpts from Prime Minister PHAM VAN DONG's Report to the D.R.V. National Assembly—April 8, 1965)

APPENDIX "E"

Ottawa, February 28, 1966

His Excellency
Ho Chi Minh,
President of the Democratic
Republic of Vietnam.

Dear Mr. President,

I have read with interest your letter of January 24 which was addressed to Canada as a member of the International Commission for Supervision and Control in Vietnam.

You will not expect me to share the interpretation of the nature of the problem in Vietnam and the origins of the present conflict which is set forth in your letter. I do not believe, however, that it would serve any useful purpose at this time to dwell on our differences, other than to note that they exist.

What concerns me, as it does the people of Canada, is the tragic toll in human suffering and the threat to international peace which the continuation of the conflict in Vietnam involves.

I am convinced that the use of force is not an acceptable means of attaining political objectives in the world as it is constituted today. That is why Canada has urged all parties to the conflict in Vietnam to pursue a course of negotiation. It is in this direction that we see the prospects of a fair and lasting settlement which will take account of the freely expressed aspirations of all the people of Vietnam.

For these reasons I have been deeply disappointed by the failure so far of all efforts to promote unconditional discussions on Vietnam. I have carefully studied the positions which have been put forward by the main parties to the conflict. While these positions are still very far apart, I believe that they show some common elements on which a foundation of peace can be built.

It is not for Canada to prescribe to the Vietnamese people how they shall order their political life and institutions. That is for the people of Vietnam themselves to decide freely when the time comes. But the present course of developments in Vietnam is a source of legitimate concern to the international community and it is my firm hope that it can be reversed before all avenues to a peaceful settlement are closed.

In your letter you refer to the obligations which the members of the International Commission for Supervision and Control have in the serious current situation in Vietnam. As a member of that Commission Canada has at all times endeavoured to carry out its obligations in a spirit of objectivity and impartiality towards the facts as we know them. I can assure you that we will continue to do so to the best of our capacity.

April 4, 1966

I also hope that the International Commission may be able to play some part in helping to restore peace in Vietman. It seems to me that by virtue of its long association with the problem and the advantage of access it has to all the parties to the present conflict, the Commission is in a unique position to play such a part. As far as my Government is concerned, it is prepared to explore all possibilities that may be open to the Commission in present circumstances to exert its efforts in the direction of peace.

Yours sincerely,

(signed) Lester B. Pearson

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON
NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

THURSDAY, MAY 12, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESS:

The Hon. Paul Hellyer, Minister of National Defence.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	*Mr. Honey,	*Mr. Lind,
*Mr. Brown,	Mr. Hopkins,	Mr. MacLean (<i>Queens</i>),
*Mr. Émard,	Mr. Langlois	Mr. MacRae,
Mr. Éthier,	(<i>Chicoutimi</i>),	Mr. Matheson,
Mr. Fane,	Mr. Langlois	Mr. Smith,
Mr. Foy,	(<i>Mégantic</i>),	Mr. Stefanson,
Mr. Grills,	Mr. Laniel,	*Mr. Walker,
Mr. Harkness,	*Mr. Legault,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

*Messrs. Brown, Émard, Honey, Legault, Lind, and Walker replaced Messrs. Carter, Deachman, Dubé, Lessard, McNulty, and Rock on May 11, 1966.

ORDER OF REFERENCE

WEDNESDAY, May 11, 1966.

Ordered,—That the names of Messrs. Émard, Lind, Brown, Honey, Walker and Legault be substituted for those of Messrs. Lessard, Carter, Rock, McNulty, Dubé and Deachman on the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, May 12, 1966.

(3)

The Standing Committee on National Defence met at 9.40 a.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Brewin, Brown, Émard, Éthier, Fane, Foy, Groos, Harkness, Honey, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, Legault, Lind, MacLean (*Queens*), MacRae, Matheson, Smith, Walker, Winch (21).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; and Honourable Léo Cadieux, Associate Minister.

The Committee proceeded to its consideration of the Main Estimates 1966-67 of the Department of National Defence. *Item 1. Departmental Administration etc.* having already been called, the Chairman invited the Minister of National Defence to make an opening statement.

The Minister's statement referred to the major international commitments of Canada's Defence Forces, the integrated defence organization at both the Headquarters and field force levels, factors influencing votes, and the present situation with respect to questions of morale, recruiting, re-engagements and voluntary retirements.

Messrs. Lambert, Winch, Smith, MacRae, Laniel and Harkness questioned the Minister concerning subjects referred to in his opening statement. During the questioning of the Minister by Mr Brewin, the meeting was adjourned at 11.00 a.m. to the call of the Chair.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, May 12, 1966.

● (9.40 a.m.)

The CHAIRMAN: I think we have a quorum, and so I think we will get on with the proceedings. As you know we are still on Item 1 Departmental administration of the Estimates and we have with us this morning the Minister of National Defence who has an opening statement.

I will call on the Minister for his statement.

Hon. PAUL HELLYER (*Minister of National Defence*): Mr. Chairman and gentlemen, I am very pleased indeed to come before you to discuss the estimates of the Department of National Defence. My colleague the Hon. Leo Cadieux, the Associate Minister of National Defence and I feel that this procedure of having the Standing Committee on National Defence examine the departmental estimates is a very useful and progressive step. I assure you that we and our officials in the Department of National Defence will do everything in our power to provide you with as much information as possible to assist you in giving thorough and responsible consideration to these estimates. As outlined in the Blue Book, the estimates for the Department of National Defence for the fiscal year 1966-67 amount to \$1,572,690,000, including \$79,523,773 authorized by statute. This latter sum is an increase of more than \$12 million over last year, and is largely attributable to increases in the forces superannuation account. Despite this necessary change and despite all the other rising personnel and operating costs associated with all aspects of the current economy which particularly affect defence, it is very gratifying to me that we have been able to hold the line in defence expenditures. As a matter of fact, the non-statutory estimated expenditures for 1966-67 total only \$1,493,166,227, a reduction of \$835,835 over the 1965-66 estimates.

My colleague and I are grateful to the defence and deputy minister's staff for their active support in not only holding the line in defense spending out also fulfilling more commitments on a world wide basis than at any time since the Second World War.

In addition, our forces today possess more fire power than at any time in our history.

Before going into specifics of the estimates, Mr. Chairman, I think that in view of the number of new members to the Committee it would be useful to first review our current defence commitments and then give you a progress report on the integration of the armed forces.

Canada's contribution to the NATO deterrence continues to be a combination of land, sea and air elements.

First, the air division. Our air contribution at present consists of eight CF-104 Starfighter squadrons, six of these squadrons are located in Germany in the nuclear strike role. In addition, during the past year these squadrons have been given a conventional bombing capability. The remaining two squadrons in France fulfill a reconnaissance role. All are fully equipped for their assigned missions and the division is now part of the NATO alert system.

As was stated in the 1964 white paper on defence we do not plan to acquire a further order of CF-104 aircraft and consequently, the numbers of these highly complex and expensive planes will decline through the years as the result of normal attrition.

As hon. members are aware, both the air division headquarters and No. 1 wing are located in France at Metz and Marville respectively. The recent decision by France in regard to foreign troops on her soil will, of course, make it necessary to consider the best manner in which to reorganize the air division. A study is under way jointly between officials of the Department of External Affairs and the Department of National Defence, and the results will be considered by the government as soon as they are available. It is expected that this study will make it possible to realize savings in manpower and money to meet other requirements, and at the same time permit the air division to continue to make a contribution to the stability of the European theatre. As is well known, the professional calibre of our air and ground crews are second to none in the world. In fact, I do not think it is any exaggeration to say they are unmatched in the European theatre as is evidenced by their consistent winning of air firing and air bombing trophies. Canada's NATO air division has established an international reputation of which all Canadians may be justly proud.

The Fourth Canadian Infantry Brigade Group. Our other formation in Europe, No. 4 Canadian Infantry Brigade Group is also a first class outfit manned by excellent soldiers, 4 C.I.B.G. is being significantly re-equipped with new and modern weapons such as anti-tank guided missiles, mortars, bridge laying tanks, armoured personnel carriers, command post vehicles, cargo tracked vehicles, and 5-ton trucks, plus communications equipment. In addition, we recently announced plans to procure a number of 155 millimeter self-propelled howitzers, the last remaining major equipment deficiency in the brigade group at this time.

As long as Four Canadian Infantry Brigade Group is assigned to a pivotal position on the central front in Europe, it must be well equipped for its mission.

Then the Allied Command Europe Mobile Force. While I am discussing our contribution to NATO Europe, Mr. Chairman, I would like to say a word about what we are doing in regards to the Allied Command Europe Mobile Force known as ACE Mobile Force; a special force directly under the Supreme Allied Commander Europe. The role of this force is to be prepared for quick application in response to any aggression on the NATO flanks or any other contingency. Our commitment to this force is one battalion group. The professional capability of our forces was dramatically demonstrated in February and March this year when more than 1,000 Canadian servicemen took part in a major test of the ACE Mobile Force in Northern Norway.

● (9.45 a.m.)

The aim of this exercise, called "Winter Express" was to test procedures for the rapid deployment of the Mobile Force to this very cold and operationally difficult area. The multi-national force included our Canadian 1st Battalion of The Black Watch together with elements of the Corps of Engineers and Signals.

Winter Express was most successful and we were pleased indeed by the outstanding performance of all the Canadian Forces involved.

The trans-Atlantic airlift of our troops and equipment, including two helicopters, was handled expertly by seven Yukons and eleven Hercules C-130E aircraft from Air Transport Command. In addition, the Royal Canadian Navy's operational support ship, HMCS *Provider*, transported heavy equipment, including three heavy helicopters from Halifax to the unloading port in Norway, 200 miles north of the Arctic Circle. Twenty of the 1,013 Canadian soldiers taking part in Exercise Winter Express also travelled on the *Provider*.

At the end of the Exercise, the troops were brought back to Canada just as quickly and efficiently, pointing up the feasibility of long-range mobile force operations.

We have had reports from neutral observers who reported that the quick shakedown of our troops on their arrival and their obvious capability to operate under Arctic conditions compared most favourably with other participating nations. We also received gratifying comments from SHAPE senior officers on the highly efficient manner in which our stores and equipment were handled by the combined use of heavy transport aircraft and an operational support ship using transport helicopters to lift supplies from ship to shore.

In our opinion, this exercise points out in dramatic fashion the logic of our defence policy in developing mobile forces which can be air and/or sea lifted to trouble spots anywhere at any time of year.

Our contribution to the ACE force has been recognized by the request of General Lemnitzer, the Supreme Allied Commander Europe to appoint a senior Canadian army officer to command this force. Major General Gilles Turcot has been designated as Commander and he will take up his duties next fall.

Maritime Forces—Canada is also making a significant contribution to NATO through its naval and maritime air forces.

During this fiscal year, our fleet modernization program in the Royal Canadian Navy will continue. At the same time we will continue to examine critically the real contribution to the deterrence being made by our older ships.

It is the government's feeling, Mr. Chairman, that the continued operation of aging, expensive and difficult to maintain vessels is not a useful way in which to spend defence dollars. In this regard, we recently announced that four world war II frigates, now being maintained in reserve status, will be turned over shortly to Crown Assets for disposal. Their disposal will reduce the number of second world war frigates to six, one on the east coast and five on the west. One of those at Esquimalt will be placed in reserve this month, and on completion of summer training, it is intended that most or all of the frigates be placed in reserve, at which time their condition and remaining operational effectiveness will be examined, and appropriate action taken.

Discontinuing the operation of over-age frigates will make available additional personnel for the manning of destroyers and other newer ships of the fleet, and for duties ashore. It will also enable the training of personnel, both in formal courses ashore and in a practical manner at sea, in preparation for service in new ships that will be joining the fleet over the next five years.

This year HMCS *Fraser*, the last of the St. Laurent class conversion should be in the water in mid-September.

The Restigouche class conversion is now in hand and extensive sea trials will be carried out this summer on the prototype ship HMCS *Terra Nova*. The program has been telescoped to some extent and the last ship is now due to be completed in September, 1969, instead of September, 1970.

Tenders for two additional operational support ships will close on July 9 of this year. These 22,000 ton ships have the roles of refuelling and provisioning the fleet at sea, and also the capability of carrying heavy equipment and bulk stores in support of our mobile forces on overseas assignments.

HMCS *Bonaventure* has begun her mid-life refit during which time a number of improvements will be carried out making her a first line contribution to anti-submarine warfare until the mid-seventies.

During the next four years, in addition to the ship construction mentioned earlier, plans are under way to construct four new helicopter destroyers or DDH's. These ships will be powered by gas-turbine engines and will feature the most advanced weapons for the anti-submarine role.

In this period, two more "O" class submarines will join the fleet. The continual acquisition of Sea King Helicopters will provide the fleet with an even greater ASW capability.

I might add that also this summer the prototype hydrofoil will be ready for a testing in the North Atlantic. We hope by this time next year to have a preliminary capability report with respect to the hydrofoil vessel.

The air elements of Maritime Command add an even greater surveillance and attack capability to our surface forces which will be further enhanced as the Argus, Neptune and Tracker aircraft are re-equipped.

These improvements and additions to our maritime forces, Mr. Chairman, will assure the continued readiness of maritime command to carry out its assigned mission.

North American Defence. Our contribution to the defence of the North American Continent continues to be mainly in the field of air defence. The bomber threat to our continent, although diminishing in relation to missiles, still exists, and rather than up-grade that threat by eliminating our substantial anti-bomber defences, we and the United States are continuing to maintain them on a reducing basis. For instance, both countries over the past two years have disbanded a number of overlapping radars and consolidated the remaining interceptors into a lesser number of squadrons, thereby reducing overhead. At the same time, the introduction of a low-cost back-up interceptor control (known as BUIC) has made the remaining forces more realistic in that they would be better able to carry out their missions should an emergency develop.

The main question in the field of air defence, however, is that of whether to deploy an antimissile system. The United States in continuing to invest large

sums in the development of such a system but as yet has not taken the decision to deploy it. The costs involved are staggering, with estimates ranging from \$10 billion to \$30 billion depending on the planned coverage. Many experts believe, however, that such a system could be overwhelmed or circumvented by an increment to offensive capability at a fraction of the cost.

Until a decision is taken with respect to this question, the policy of the government with regard to air defence will continue to be as outlined in the 1964 White Paper.

Although, as stated, our contribution to the defence of this continent is largely in the field of air defence, our naval and land forces also form part of our partnership with the United States with respect to continental defence.

United Nations

Turning now, Mr. Chairman, to our other major international commitment: to the United Nations; it is a fact that Canada has participated in every UN peace-keeping operation since that organization was formed. Canada has made in the past and continues to make a significant contribution to world order by taking initiatives and supplying forces to help dampen regional and local conflicts that would escalate into major wars and thereby endanger the world.

Despite the difficulties involved, it is the Government's intention to continue to be ready in this field. In fact, one of the results of our emphasis on global mobility for our new force structure will be an increased capability to move a wide variety of forces anywhere in the interests of Canada's foreign policy and its main aim of maintaining world peace.

More than 2100 Canadian servicemen are currently serving abroad under the United Nations. From official UN reports and, in some cases, personal observation, I can tell you that no finer or more respected troops wear the UN blue beret.

I think all Canadians can be proud of the quick reaction of our forces to the latest request for military personnel made by Secretary-General U Thant. Immediately following the Secretary-General's successful request for a cease-fire in the India-Pakistan war, Canada, along with various other nations, was requested to assist. In Kashmir where a UN military observer group had been operating for some 18 months, Canada had been providing nine military observers and one RCAF Caribou aircraft. The contribution was strengthened by the addition of ten more observers including officers from all three branches of the services.

South of Kashmir an entirely new and separate UN observer organization called The United Nations India-Pakistan Observer Mission (or UNIPOM) was established to help keep the peace along some 800 miles of the international border between India and Pakistan. Of the 90 military observers allocated to UNIPOM, twelve were Canadians of all three services. To meet the urgent requirements for air support in Kashmir and UNIPOM, the RCAF rapidly formed and dispatched 117 Air Transport United comprised of three Otter and two Caribou aircraft together with approximately 100 officers and men. It is noteworthy that the bulk of all Canadian servicemen were dispatched within a few days of the receipt of the request from the UN.

In this tragic and potentially dangerous conflict between India and Pakistan, both fellow members of the Commonwealth, Canada is making a meaning-

ful contribution to maintaining the cease-fire, and, hopefully, the eventual re-establishment of more normal relations between the two countries.

UNIPOM, which successfully completed its mission in six months has now been disbanded—one of only three UN missions which has been able to do so. Today the United Nations Military Observer Group for India-Pakistan, operating largely in the mountainous area of Kashmir, continues its difficult and important work under the command of a Canadian Army officer; another indication of Canada's leadership and recognized capability in the field of peace-keeping.

Other areas in which Canada still contributes to U.N. forces are Cyprus and the Arab-Israeli border. We also, as you know, Mr. Chairman, contribute to the Indo-China Supervisory Commission and, until recently, supplied airlift for oil destined for Zambia.

One of the major lessons of all these peace-keeping missions has been that no two operations were alike. Consequently the maintenance of broadly trained, well equipped forces allows us the capability to make a contribution to such actions in the widest variety of circumstances.

To summarize this review of commitments, Mr. Chairman, I would like to point out that we have not only fully maintained and in many ways increased our capability for these assignments, but during the last two years we have undertaken a number of new commitments as well as demonstrated the improved mobility of our forces.

● (10.00 a.m.)

Now a report on integration. During this time we have been engaged in a massive reorganization of our headquarters and field force organization. The formal beginnings of this reorganization process was the introduction and passage of Bill No. C-90 in July, 1964. This Bill, you will recall, amended the National Defence Act and authorized the appointment of a single Chief of Defence Staff.

Since August, 1964, the reorganization of the Canadian Forces Headquarters, the Command Structure and the consolidation of Canadian Forces Bases has been either on or ahead of schedule.

Canadian Forces Headquarters—Canadian Forces Headquarters has been organized on a functional basis under Air Chief Marshal Frank Miller, Chief of Defence Staff. In addition to a Defence Secretariat, there is a Vice Chief of Defence Staff, a Chief of Personnel, a Chief of Technical Services and a Comptroller General.

The Defence Research Board remains a separate entity although its Chairman has revised the organization and procedures to fit the scientific needs of the integrated force concept.

In a similar vein, the Deputy Minister is also in the process of re-arranging his organization so that it will be constituted on a functional basis parallel to the military organization. In general, the staff under the Deputy Minister is responsible for ensuring that the resources, manpower, materiel and money available for military purposes are used to the best advantage.

The integration of the three military headquarters under a single chief is designed to produce a more responsive and effective force as well as reduce

administrative overhead. To date, although some interim staff positions still remain to carry through the process of integration, the savings in headquarters manpower are already considerable and the anticipated eventual saving of 30 per cent at Canadian Forces Headquarters should be realized once the entire re-organization has been completed.

Command Structure

The second phase of integration was to streamline the Command Structure. On June 7, 1965, four months ahead of schedule, we were able to announce the plan to reduce the previous 11 major commands in Canada to six: Maritime, Mobile, Air Transport, Air Defence, Training and Materiel.

Maritime Command—Maritime Command, with headquarters at Halifax, N.S., was officially formed in January of this year. This command embraces all of the sea and maritime air forces of Canada.

In addition to its primary role of anti-submarine warfare, Maritime Command is being given an expanding role in the field of sea-lift and Army support. It is also responsible for the co-ordination of search and rescue operations on both coasts. Personnel strength of Maritime Command is approximately 21,000 servicemen and women.

Mobile Command—Mobile Command, with headquarters to be at St. Hubert, P.Q., is a completely new formation and depicts more than any other the new concept of Canadian defence policy.

Formed officially in October 1965, Mobile Command has the responsibility for providing operationally trained and combat-ready land and tactical air forces, capable of rapid deployment in circumstances ranging from service in the European theatre as part of Canada's contribution to NATO, to United Nations and other peacekeeping or peace restoring operations. As a natural consequence close liaison will be maintained between mobile command and such other commands as air transport and maritime.

In addition to providing the rotational brigade for our European-based NATO contribution, mobile command will train the other two brigades in Canada to be air-transportable under the expanded concept of mobility.

This command will also produce an air-portable-air-droppable battalion alert group for even quicker response to special situations.

Among the tactical air elements of mobile command will be a squadron of CF-5 tactical ground support aircraft, Buffalo short take-off and landing (STOL) transports and a variety of heavy and light helicopters.

Air Transport Command—The function of Air Transport Command has not basically changed in the re-organization although this Command is now more important than ever before. In the main, the responsibilities of Air Transport Command are to provide the strategic air transport capability for the mobile forces and inter-command transport services for all commands whenever and wherever required. The headquarters of this command is located at Trenton, Ontario, with supporting units and squadrons located throughout Canada, and in many far flung areas of the world.

With its long-range Yukon and Hercules aircraft, it undertakes various types of missions, ranging from transporting men and equipment from distant

points in Canada to participate in United Nation peacekeeping actions to the rotation of men and their equipment to and from our brigade in Europe.

The C-130 Hercules transport aircraft provides the Canadian armed forces with strategic "air truck" capability of transporting troops and equipment anywhere in the world. These heavy-duty aircraft have been engaged in duties such as resupply of the Arctic outposts, delivering oil to the land-locked country of Zambia, and transporting men and equipment on various military and peacekeeping exercises. Procurement of these aircraft is on a continuing basis, and by March 1967 the fleet of these long range "air trucks" will amount to 24 aircraft. Meanwhile, studies are under way to determine the best method of further augmenting our air transport capability.

Air Defence Command—The role of Air Defence Command has not changed with the command re-organization and its missions were described during our discussion of Canada's contribution to North American defence. However, a significant change is being made in this command through the amalgamation, beginning this summer, of the Air Defence Command Headquarters with Northern NORAD Region Headquarters at North Bay, Ontario.

This amalgamation is designed to reflect the reduced expenditure of resources in the field of air defence and eliminate the lines of communication between the current Air Defence Command Headquarters at St. Hubert, Province of Quebec, and Northern NORAD Region.

The integration of these two formations is expected to result in a 30 per cent saving in manpower.

Part of the Air Defence Command Headquarters Staff will move to North Bay this summer, with the remainder going in the summer of 1967.

Training Command—Training Command was officially formed on 1 January 1966, and now has the responsibility for individual training, including flying and trades training for all personnel required by the Canadian Forces.

With headquarters at Winnipeg, Manitoba, Training Command will modernize and consolidate all training in the armed forces that is not strictly of an operational nature. Although all the advantages of this integrated training program will not be realized fully for approximately three years, there will be substantial savings of resources and manpower in the interim.

Materiel Command—The organization responsible for supply all logistic support to the Canadian Forces is Materiel Command, with headquarters at Rockcliffe, Ontario.

Since July of last year, studies have been undertaken for the re-organization of units assigned to Materiel Command by the three services into an integrated defence supply system. It is estimated that the personnel strength of Materiel Command under Major General Robert Rothschild, will amount to some 18,000 of which 12,000 will probably be civilian. An indication of the size of the problem which Materiel Command has undertaken is that with present stocks there are some 850,000 items which must be divided for management purposes into logistic cells. Plans are now under way for the detailed organization and establishment of five bases for depot consolidation. These bases when established will be able to provide better services and logistic support for Canadian forces units and, at the same time, free more armed forces personnel for operational requirements.

Completion of this massive re-organization of the three different supply systems of the armed services into one automated system will take three to five years. Meanwhile, current organizations for supplying the forces must be maintained so that there is no interference with operational commitments.

Canadian Forces Bases

As a natural follow-on to the establishment of the functional commands, we undertook on 1 April this year the transfer of all armed forces regular units in Canada to the appropriate command headquarters. Mobile Command, Maritime Command, Air Transport Command and Materiel Command will each have five bases under their control. Training Command will be responsible for 13 bases; with Air Defence Command having six. The total will be 39 major Canadian forces bases across the country.

This Canadian forces base consolidation will provide the services and support for other ledger units on the station should they exist. This base consolidation will eventually provide considerable savings in dollars and manpower and more important will permit the forces to carry out their functional duties in a more responsive manner.

Meanwhile, the army's four geographic command headquarters and twelve area headquarters are being phased out. The previous area headquarters have been replaced by smaller district offices responsible for the command and control of militia and cadets, and report directly to the Deputy Chiefs for Reserves at the Canadian Forces Headquarters. These district offices also have the responsibility for national survival and aid to the civil powers.

Mr. Chairman, I think I have given the members of the Standing Committee on National Defence a fairly comprehensive view of what has been accomplished by the Canadian Forces since I last appeared before the Special Committee on Defence.

Summary

In summary, Mr. Chairman, the integration of the Armed Forces is now well advanced. The 1964 White Paper on Defence gave the broad government policy directives towards the creation of this new force and I am very proud of the enthusiasm with which these policy directives have been formulated into concrete terms.

We have now reached the stage for final steps toward a single unified force as forecast in the White Paper. Naturally these considerations raise delicate problems of a single walking-out uniform, rank designation, the name of the force, and so on. Because of the myriad of details which must be carefully studied, no final decision has been taken as yet, although these questions are under very active consideration.

I think it is obvious to all of us that we could not undertake a re-organization of such magnitude without some problems arising. The differences between the three forces, which had always existed, have become much more noticeable now that the seaman, the airman, and the soldier worked together in the same office.

Integration has not caused but highlighted anomalies and equities among the three services. For instance:

- Different terms of service
- Different trade structure

Different promotion opportunities
Different commissioning-from-the-ranks policies
Different retirement ages, etc.

The booming economy and virtually full employment situation have also brought the inadequacies of service conditions to the fore. Inadequacies among such things as:

Moving allowance
Professional pay
Trades pay
Time-in-Service recognition
Clothing allowance
Out of Married Quarters versus in-housing allowance
Bachelor Barracks

Educational support both for your Service personnel and for dependents, etc.

I repeat, Mr. Chairman, these differences and inadequacies are not new; the only thing new is that our Service personnel are becoming very much aware of them.

It is the intention of the Associate Minister and I that these disparities be corrected as soon as possible. We must have equal opportunity, equal treatment for all personnel, regardless of their founding service. We must bring the conditions of service for military personnel at least up to par with that of their civilian counterparts. Unification will provide us with a golden opportunity to correct these inequities and inadequacies, and fully democratize our forces.

I am sure hon. members will agree with me that our forces in Canada and Overseas have no peers in the military tasks assigned to them. In our many international commitments to the United Nations, NATO and Norad, and in the full range of domestic and other international tasks, the special capabilities and accomplishments of Canadian sailors, soldiers and airmen are well known. Their consistent record of excellence makes me extremely proud and, indeed, delighted to be recognized as their Minister in the many national and international forums in which I am called to participate.

The Associate Minister and I are pledged to support the dignity and welfare of the individual member of the Canadian forces. Relative to other military forces, Canadian military personnel fare reasonably well. But I know that in this area no set of conditions is perfect. We are therefore dedicated to achieving the fairest and most equitable conditions for our service personnel.

We are fully aware that we are making such splendid progress in this massive re-organization of the Canadian armed forces because of the dedication and high calibre of our military personnel. No other nation has yet to take on such a program, but, then again, no other nation has, in our estimation, the consistently high quality of people to make such a program work in so short a time.

When we have successfully achieved our final goal of a single unified defence force—and I know we will—I hope that all Canadians will give credit to the people to whom it is primarily due: the men and women of the Canadian armed forces.

● (10.15 a.m.)

Now, Mr. Chairman, I would like to turn to the questions of morale, recruiting, re-engagements and voluntary retirements. It seems to me that it would be difficult to talk about one without relating it to the others.

Let us look first at recruiting. Recruiting in the first three months of this year is up 17 per cent opposed to the same period in 1964 and 5% over the same period in 1965. This has been achieved despite a raising of enlistment standards and the highly competitive economic situation in the country at large. I think this is a very notable achievement for our integrated recruiting organization, particularly when you consider that their overall numbers are down by 30% and our recruiting advertising budget is much less than it was five or six years ago, both in relative and absolute terms. It is also an indication that service life still has considerable appeal for young Canadians.

Re-engagement figures are also encouraging. For all three services they are up in 1966 as compared to 1965. For example, the re-engagement rate for the navy so far in 1966 is 66.1 per cent as compared to 45.1 per cent in 1965. The army is currently 96.6 per cent as compared to 67.4 per cent. The air force is 85.8 per cent compared to 83.6 per cent. The over-all figure on re-engagement to date this year is 82 per cent as compared to 73 per cent for the same period in 1965.

Looking now to voluntary retirements, in the first three months of this year they are down by one-third over that experienced last year.

Although all of these statistics are encouraging, Mr. Chairman, I agree that it is difficult to rate them directly to morale and attitude towards service. It is the general opinion of the defence staff that, although there is room for improvement, morale is generally good, particularly in the operational commands. By correcting the inequities and inadequacies, previously discussed, that have built up over the years we are quite confident morale will be raised to an even higher point.

Now, Mr. Chairman, in turning our attention to the Estimates for 1966-67, I think it would be more advantageous to the members of the Committee if I addressed my remarks in general terms and leave the specifics to the expert witnesses who will appear in later committee sessions.

Vote 1 has increased by some \$435,000 largely due to increases in civil salaries and wages.

In Vote 15 on page 267 the two sub totals, one representing Total Operation and Maintenance Costs, which is down by \$29 million, the other Construction and Acquisition of Major Equipment, which is up by \$34 million, provides the evidence that the department has begun to realize the first monetary effects of integration and improved management practices.

In the operation and maintenance costs you will note that there are both increases and decreases in expenditure. For example, clothing and personal equipment is up considerably as we purchase new types of combat and cold weather clothing to protect our troops. Similarly, despite the reduction of "position man years", civil salaries have increased by \$7 million. There have been offsetting factors, however, largely through better management as they have been applied in such areas as the usage of office stationary, supplies, and in telephone and telegraph services. Professional and special services (p. 266), as

well as municipal and public utility services (p. 267) have risen considerably reflecting the increased costs for these services.

On the other hand, repairs and upkeep of equipment is down, largely because we are replacing the old and costly equipment. Despite these variations, the total operation and maintenance costs of the Canadian Forces have been reduced substantially.

Major procurement of equipment, on the other hand, will rise by over \$32 million. Our forces will thus be provided with the modern machines, communication and technical equipment they require to carry out effectively their assigned missions. Money for the procurement and modification of ships, for example, is up by almost \$14 million. We are continuing our program of equipping our forces with both light and heavy helicopters, and aircraft as well as re-engineering for seven of our Cosmopolitan aircraft. These purchases are reflected in the increase of some \$7 million over 1965-66.

Communications and electronic equipment purchases are increased this year by \$7 million indicating the requirement of our forces to operate effectively in this electronic age.

Miscellaneous technical equipment as you will note is up considerably as we replace, renew or purchase various pieces of equipment. While these are too numerous to mention in detail, money in this area is being devoted to equipment ranging from tape recorders for language instruction to intricate trainers and simulators.

In vote 20, Mr. Chairman, as in vote 1, civil salaries and wages (1) account for almost \$2 million of the \$3.5 million. Other increases can be found in the increased costs for material and supplies (12) and in contributions and grants (20).

Vote 25 has decreased this year but there have been increases in our Industry Research Assistance and the Research Satellite Program as indicated in Votes 30 and 35.

As other friendly countries have built up their economies, Canada's contribution to mutual aid has decreased as is reflected in Vote 45.

The Special Account referred to in Vote 48, Mr. Chairman, is simply another principle of good management whereby the department will receive a return of a maximum of \$5 million from the sales of surplus building, works and lands.

The increase in expenses incurred by Defence Construction (1951) Limited is comparable to the increasing expenses incurred in large civilian industries.

These estimates, Mr. Chairman, are a reflection of the determination of our Department to reduce operating and maintenance costs and raise expenditures for equipment. In two years we have been able to reverse the previous trend to a point where we can justifiably and accurately state that new management systems coupled with savings in overhead permit us to present not an increased budget but one which estimates savings of \$835,835.

Now Mr. Chairman, I would be pleased to entertain questions. I would suggest, however, that the questions be of a general nature and that we leave any specific question with respect to recruiting, ships, airplanes and technical equipment and these projects until we can have the particular directors or directors general of those departments here to answer the questions.

The CHAIRMAN: Thank you Mr. Hellyer. Gentlemen, we have about 35 minutes left. I presume it is your wish to continue right now with the questions. If you are ready, Mr. Hellyer, we will proceed.

Mr. LAMBERT: First of all, Mr. Chairman, I am disappointed the Minister had nothing to say about militia reserves in this whole review. It seems to be an entire review or commentary on the regular forces. However, we will come to that point later.

Mr. HELLYER: I apologize for that omission, Mr. Lambert. As a matter of fact, I intended to refer to it and say that in a current copy of the *Sentinel*, our armed forces magazine, there is a fairly comprehensive article which refers to the roles and missions of the reserve forces in some detail. I refer hon. members to it because I think it would answer some of the questions that they might otherwise wish to ask with respect to the reserves and cadets.

Mr. LAMBERT: I am sorry. Other than that commentary, I will leave it because I think we will want to come back to it in some detail. It has always been my impression that the contact with the public as far as National Defence is concerned, is through the militia and cadets, and if this is the approach of the Defence Department at this time, then I think they are in for a rude shock. But the point that I want to make is one that the Minister spoke about first, namely, the position of the brigade force, the 4 CIBG in Europe. What interests me is in the light of the decision of France to place France generally out of bounds to NATO forces on a multilateral basis, how does the Defence Department envisage the strategic use of 4 CIBG, or whatever replaces it, taking into account the extremely narrow operational corridor afforded by West Germany, and the limitations of the natural communication routes in Germany? This is a very serious point. It has bothered a number of staff people, both Canadian and NATO allied people, as to how these people can ever be used, and in the light of the approach of the attitude of war, or the likelihood of war in Western Europe, frankly, what is the strategic use of this particular brigade group that we are maintaining?

Mr. HELLYER: I think it is a very important question, Mr. Lambert. First of all, though, you must make an assumption either that French territory would be available in a real emergency or that it would not; and the assumption that I make, based on the French intention of remaining as a member of the North Atlantic Treaty Organization, is that French territory would be available in an emergency. Under those circumstances, the actual strategic situation does not change from what previously has been the case and the brigade group plays exactly the same important role in the forward strategy that it has in the past. The only restriction really imposed is one which does not affect the brigade group as much as it does the air division and that is the restriction in training in peacetime, and there are some real limitations imposed by denial of the use of French air space in peacetime; but the assumption that I certainly believe until there is some indication otherwise is that the French are still signatories to the pact and still wish to participate on a liaison basis in joint planning, and that their territory would be available in a situation of emergency, consequently the strategic implications are very similar to those which now exist.

Mr. LAMBERT: Well, I think that you are overlooking a particular point here in that the present use of French territory for NATO purposes gives you the

supply bases, the contact bases, and that general room for strategic manoeuvrability which you will not have unless there is some bilateral agreement which will also provide the facilities. Mr. Minister, on an emergency basis you are not able to go in and establish those lines and those bases which you may have to supply. This is the point that worries me. It is all very well to have the prestige of belonging to the club, regardless of the quality of our troops. In the event of an emergency, in the light of the new conditions, just how effective are these people going to be if they have to stand and fight, and that you intend to supply them. This is the point.

Mr. HELLYER: They are not supplied through France now, as you know.

Mr. LAMBERT: But they could be, in the event of an emergency.

Mr. HELLYER: If you agree with the premise that this territory would be available in emergency, then I cannot see that the problem is as real as you suggest.

Mr. LAMBERT: But you cannot say that the territory will be available in an emergency.

Mr. HELLYER: But you can say, because this is something that will be made very clear in the process of negotiations which are now taking place. I have no doubt that this will be the case.

Mr. LAMBERT: Well, is Canada in a position to impose that condition on France?

Mr. HELLYER: No, not at all. This would be a voluntary condition imposed by France itself. France has made it very clear that she has no intention of withdrawing from the alliance, and that she intends to fulfil the basic condition of the alliance; that she would come to the aid of any one of the members of the alliance if their territory was threatened.

Mr. WINCH: For a few moments there I thought that my question could be a complete supplementary. The line of demarcation is so evenly balanced that perhaps I could hold my question until later.

Mr. LAMBERT: If somebody wants to continue that is all right.

The CHAIRMAN: Well, if you have no direct supplementary, for the minute—

Mr. HELLYER: I do not know how you can differentiate on a question of this importance.

Mr. WINCH: I suppose I could put it then, sir. I am in your hands, sir.

The CHAIRMAN: Well, we will be glad to hear from you.

● (10.30 a.m.)

Mr. WINCH: I hope it is not too complicated, sir. The question which I have I thought in some manner tied in with this. In view of the Minister's repeated statements on a policy of the expanded mobility of our Canadian forces I want to ask the question if under NATO's position now which includes the recent policies of France and in view of the time which has elapsed since the last world war, cannot Canada reach a policy decision on withdrawing our armed forces from Europe. Along with this question must go another one. Is the Canadian

participation, whether it is our air force or our brigade as mentioned by Mr. Lambert—in view of our limited but expensive effort—of such importance on a morale basis for European countries? Should they not now be able to handle the manpower expense involved for their own defence? Can you see what I mean, Mr. Chairman. I am not sure whether you want to accept the question now, or not.

The CHAIRMAN: I think we can accept that now as a supplementary question but could you wait until the Minister has had a chance to answer.

Mr. HELLYER: This question is one that involves both the military and political considerations and I believe that the Canadian forces in Europe make a very effective military contribution because they are so good and because of the high professional calibre of the men in the force. I think, however, that one of the most serious considerations in this whole area is the possible political repercussions of either withdrawing or substantially reducing the contribution of Canada, or the United States in the continent of Europe.

Mr. WINCH: As far as Canada is concerned, Sir, not the United States.

Mr. HELLYER: Well, the two are related in a sense, because I have no doubt that what one country decided to do might have some influence on what the other would eventually do or be under pressure to do. For this reason my own view is still the same as is set out in the White Paper and that is that there is a requirement and fulfilment of our adherence to the North Atlantic Treaty Organization for us to participate in a tangible way in maintaining the force in Europe, and that this is particularly so from the standpoint of a demonstration of the political solidarity of the alliance; I think one of the most important facets of the alliance is to demonstrate its political solidarity to the maximum extent possible. I therefore feel, although this question should really be directed as much to Mr. Martin and his Department as to the Department of National Defence if not more so, that it would be felt amongst the capitals of the alliance that it would be just as important now as it has ever been for Canada to maintain a substantial contribution in Europe as a tangible demonstration of our assurance to the alliance and to the political solidarity of this group of nations.

Mr. WINCH: Gentlemen, I am going to have to put my question based on the statement which has just now been made by the Minister. He has stated that in his view, which he said he has not changed, there is a requirement for the maintenance of Canadian armed forces in Europe under NATO. I would hope that he would expand a little bit on what are the requirements, and particularly as regards his statement which he repeated more than once in his presentation this morning, that the policy of expanded mobility of the Canadian forces will allow us to supply troops, when required, under our policy, anywhere in the world as and when required. Now, if that statement is correct, and I assume as the Minister said it that it is correct, then I again ask him what are the requirements for the actual continued maintenance of our Canadian forces in Europe some 22 years after cessation of world hostility.

Mr. HELLYER: I think first of all there is a real advantage to having a force in being along the central front; that it does continue to contribute to the stability of that part of the world; that it has demonstrated over the years that what

was once considered perhaps the area of the least stability has now become one of the areas of most stability; and that some force should be maintained there as a positive demonstration of the intention of the countries of the North Atlantic Treaty Organization to stand together in the maintenance of the integrity of their own boundary. Now, I do not think this is incompatible with the philosophy of increased mobility. First of all, we have only part of our force in Europe and the mobility we are talking about applies to the whole force and particularly that part of it stationed in Canada which previously has not been available for reinforcement either of the NATO area in an emergency, or for deployment in other parts of the world in a time frame that might be realistic: (a) because we did not have the equipment for it, and (b) because we did not have the strategic mobility to get it there. So I do not think the two concepts are in conflict and I do feel that, for political reasons, for military reasons and also for training reasons, there is a good case for Canada to continue to maintain an effective contribution in Europe.

Now, I do not say it cannot be changed; I do not say it cannot be altered in any way, because it can be, and as a matter of fact this is the time, as we are looking to force commitments for the next three year period, when these things are under examination, but I do feel and I think this feeling reflects accurately the position of the government that we will have to continue to maintain an effective force there as our contribution for some period to come.

Mr. WINCH: I would like to continue this, but I must not abuse the privilege of other members.

The CHAIRMAN: We do have a number of other questioners, but first of all we have Mr. Smith on another supplementary.

Mr. SMITH: I think perhaps now my question becomes slightly repetitious. No one quarrels with the policy, with the effectiveness or the necessity of Canada supporting NATO, but I do think the question that remains in many people's minds is how effective is our military support. Has any really realistic look been taken to see whether or not we could not support NATO more effectively with a modified or changed military role, with the decreasing importance and the decreasing numbers of the Starfighters and their replacement by intermediate range missiles doing what they were doing and the withdrawal of French troops from NATO? Has consideration been given to the fact that we could have a vastly increased air transport capability and keep a much larger part of our troops home, we could still keep a presence in Europe.

Is active study or active consideration being given to that? You will note in the C.B.C. news yesterday morning there was an announcement from the American Defence Department of the great success of the scheme that they have been carrying on in southern Europe by flying the troops right from the states to Europe and how many thousands they were able to transport quickly. Are we giving the same consideration to our problem or is our brigade still rather squatted with a great many men and a large tail right in the middle of Germany?

Mr. HELLYER: Well, on the first question, as you know studies were initiated following the council of ministers here in Ottawa in 1963 as to what the force posture of NATO should be for future years, and these studies have been going on ever since. They have not reached the sort of finality that would give you the

answers to all of the questions that you have posed. There were, as you know, some difficulties in getting the studies under way; as to what the terms of reference would be; as to what the over-all considerations would be; in particular, in so far as the possible immediate use of atomic weapons is concerned because this is cardinal. Until you can agree on this particular area many questions remain unanswered.

Mr. WINCH: And after three years you cannot reach any finale.

Mr. HELLYER: After three years, Mr. Winch, there is still not the kind of finality on which you could base answers to all of the questions that have been posed.

Mr. SMITH: Are we doing any study independently?

Mr. HELLYER: Yes, we have been contributing, of course, to the NATO studies; we have been doing some independently. As a matter of fact in the White Paper we forecast some changes independently which we believed to make sense under existing circumstances. There was some criticism, as a matter of fact, for having introduced at that time a policy in advance of the conclusion of the studies which I have referred to.

Mr. SMITH: Everybody else seems to have their own NATO policy, why could not Canada?

Mr. HELLYER: Well, we are looking in the direction of the change of commitment largely I think because we felt that something might be required before the studies would have reached the stage where we could have come to complete agreement.

Mr. SMITH: The studies are being held up by the difference of opinion between France and the NATO parties; is that not the basic difference?

Mr. HELLYER: I think it is fair to say that this has been one of the complications. I would not want the impression to be given that it was the only reason, but I think it is fair to say that it has been one of the factors. But there are other factors, and some real progress has been made, particularly in the last few months where ministerial committees have been set up to study particular aspects of nuclear planning, for example, and its possible application, and this is resulting in a better understanding at the senior ministerial and staff levels of the real problems involved, the most complicated of all questions, and I think that you will find that more progress will be reported this summer at the ministerial meeting than has probably been reported for some time.

Mr. SMITH: I suppose we could get the non-secret parts of the American report on that exercise that was just concluded, could we?

This is one that was reported yesterday in the CBC news, or the day before yesterday.

Mr. HELLYER: I am sure you could if this is an exercise in moving troops.

This I think is considered by both the United States and ourselves really more from the standpoint of an augmentation of capability rather than a substitute.

Mr. SMITH: Some of the quoted statements by generals were not in that direction.

Mr. HELLYER: Well, it gives you an option; of course, but it also gives you the option of augmenting force wherever it is required at a particular time. Our contribution to the allied Command Europe Mobile Force is in this vein; it is an addition; it is part of the force normally stationed in Canada which can be made readily available for any contingency which might arise, particularly on the NATO flank, if it is required to reinforce the situation, to act as a demonstration of solidarity or strength, and consequently the advantage of mobility has been looked at more from the standpoint of meeting contingencies and augmenting capability than it has as a substitute for the hard core line in the forward strategy on the central front.

Mr. SMITH: In comparison of size, I suppose our contribution to the mobile force is about one-sixth of our brigade force?

Mr. HELLYER: In terms of people, yes.

Mr. SMITH: Yes, in terms of people.

The CHAIRMAN: Mr. Laniel had a supplementary.

Mr. LANIEL: Is there not another problem besides that question of capability? I am wondering whether the political situation in Germany is not a factor to any eventual revolution toward another set-up of the NATO forces in Europe. The fact is that Germany is not united and many countries are scared to arm the German forces and give them their national control. Therefore, this is a factor to make NATO keep a fair amount of forces in that part of Europe, do you not think so?

Mr. HELLYER: Well, as you know, all of the German forces are included in the integrated force and therefore they have no general staff of their own and their entire military force is under the command of the Supreme Allied Commander, Europe and this has been a situation which has been generally acceptable both in Germany and in Europe.

Mr. LANIEL: Yes, but is it an obstacle to an evolution where we could with all the European countries become more independent economically and politically; it is a step to an evolution where we could have NATO forces in Europe of those European countries with support either on the flank or support from mobile forces in North America.

Mr. HELLYER: Well, this is the other side of the coin. I think there are many people both in Germany and in other parts of Europe who prefer to have it as it is now, as an integrated force rather than just having separate national forces.

Mr. LANIEL: Is it costing very much more that way?

Mr. HELLYER: The way it is now?

Mr. LANIEL: Yes.

Mr. HELLYER: Well, I am not sure I understand your question, costing more for Canada and the United States?

Mr. LANIEL: Yes.

Mr. HELLYER: Well, only to the extent that we maintain forces there that we would not otherwise and this is a question I really cannot answer.

The CHAIRMAN: Are you finished, Mr. Smith?

Mr. SMITH: Following Mr. Laniel, the NATO forces of most small countries, such as Belgium and Holland, are usually stationed in their own countries within their own national boundaries, are they not?

Mr. HELLYER: I think this is to a large extent true, but I cannot give you a categorical answer. The areas which they have been assigned are those which under normal circumstances would be best served from them.

Mr. SMITH: Do the NATO forces form part of their national defence forces? This is supplementary to Mr. Laniel. Is that not right?

Mr. HELLYER: I think as a general proposition that is true.

Mr. SMITH: It would seem to me one would arrive at the conclusion that you were doing it on a per capita basis, our contribution to NATO is much more expensive per effective soldier than, for instance, the Belgian or Dutch contribution because we have to keep the soldiers and their dependents and their educational facilities so far from home, and they do not form part of our national economy, as it were.

Mr. HELLYER: This is true. Our expenditures are made in foreign exchange, whereas to a large extent their expenditures are made in the exchange of their own country.

Mr. SMITH: And I would imagine it is more expensive to keep a soldier in Europe with his dependants than it is to have the same soldier back in Canada with his dependants.

Mr. HELLYER: It is a little more expensive, yes.

● (10.45 a.m.)

Mr. HARKNESS: Is it not a fact that the dominant consideration really is psychological; that is, the European NATO members feel, and feel very strongly, that their only real guarantee in the event of a blow up is that the North American members of the alliance, that is Canada and the United States, would, we will say, be fully committed and fully support them in any attack which was made only if we had troops actually on the ground and were involved. In other words, any withdrawal on our part would immediately cause a great deal of suspicion and uncertainty as far as the European members are concerned with regard to our willingness to really fully support them in the event of an attack.

Mr. HELLYER: I think the presence of Canadian and American troops in Europe is certainly a matter of confidence in so far as they are concerned.

Mr. HARKNESS: As mentioned, there is no doubt that to maintain the Canadian brigade in Europe probably costs as much in terms of actual dollars as to maintain, we will say, the Belgian division, perhaps more. But it is worth while to spend that extra money because of the greater solidarity it gives to the alliance, particularly to the confidence of the European members in the fact that we are prepared to defend them in the event of an attack.

Mr. HELLYER: I think this is so. I think this is the price that you pay for the solidarity of the alliance and for the confidence of an alliance that would stick together under any circumstances.

Mr. SMITH: We exaggerate the importance of the psychological effect of our troops in France or in Germany. Are we not kidding ourselves when we say, "Oh what a boost to morale 6,000 Canadian troops give to West Germany and to Great Britain and the United States." Are we going along in a sort of a dream world on this?

Mr. HELLYER: The answer to that question is very difficult to measure because there is no easy yardstick by which it can be measured, is there? However, I think it is significant that after a certain point of view was expressed before one of our parliamentary committees a few days ago the number of telephone calls that came from the other side of the water within a matter of hours indicated some real interest, at least in so far as what our plans were. Having said that, I do not know just how you gauge how important it is.

Mr. SMITH: Perhaps we are doing it to bolster our own self-esteem as much as anything else.

Mr. HELLYER: I do not think we really do it just on that basis, Mr. Smith.

The CHAIRMAN: I think Mr. MacRae is next.

Mr. MACRAE: My first question is in the nature of a supplementary, Mr. Chairman, to a number that have been asked and deals with our position in France as it presently stands. I would ask the Minister just what is the state of the negotiations as far as our complete withdrawal of all Canadian forces from French soil is concerned, the cut-off date, and so on.

Mr. HELLYER: I do not think I am in a position to answer that question. It really should be directed to the Secretary of State for External Affairs who has the responsibility for it. Canada has replied to the French note, but I do not think I can really comment.

Mr. MACRAE: Did they set a date?

Mr. HELLYER: I beg your pardon?

Mr. MACRAE: Did they set a date upon which—

Mr. HELLYER: In their note to us, yes, they gave the date of April 1, 1967.

Mr. MACRAE: And that is being discussed by External Affairs at this moment?

Mr. HELLYER: Yes.

Mr. MACRAE: My second question, Mr. Chairman is: What is the present status as far as Cyprus is concerned? We have almost a battalion there at the moment plus a recce squadron. Now, how far are we committed there? Would the Minister be in a position to answer that?

Mr. HELLYER: We just commit ourselves each time the United Nations extend the mandate, and it is usually a short term extension.

Mr. MACRAE: What is the present commitment, Mr. Hellyer?

Mr. HELLYER: I am afraid I cannot answer that question. It was extended not too long ago for how long? Six months? Three months the last time?

I am not sure, but either three or six months.

Mr. WINCH: On the commitment of the battalion or a recce squadron?

Mr. HELLYER: Mr. Winch, I know the time was sufficient for us to rotate our battalion, and I am sorry that the figure has slipped my mind.

Mr. MACRAE: My third question then might better be directed to the Secretary of State for External Affairs. Would the Minister be in a position to advise whether we have ever formally or informally been asked for a commitment to Viet Nam in the nature of troops?

Mr. HELLYER: We have never been specifically asked for troops that I know of.

Mr. WINCH: Does the Minister not know that, whether or not he has been specifically asked?

Mr. HELLYER: I have not been specifically asked; no correspondence that I have seen has made a specific request for military troops.

Mr. MACRAE: That is fine. Thank you very much, Mr. Chairman.

Mr. BREWIN: Mr. Chairman, I see it is very close to 11 o'clock and I have a number of requests but one I wanted to ask is of a general nature and that is to request the Minister, possibly, for presenting information to us in a slightly different manner than we have it. The Minister has indicated his interest, which I am sure we all share, in reduction in the over-all expenditures and costs of national defence, I think he has indicated, and perhaps we should examine this some time, that he is moving towards that by seeking increased efficiency and economy within the accepted roles that we are performing.

Mr. HELLYER: Is that from my notes, Mr. Brewin, or yours?

Mr. BREWIN: That is from mine.

Mr. HELLYER: I just wanted to make that point clear.

Mr. BREWIN: It is all right, is it?

Mr. HELLYER: Yes, but I did not say we were making these economies from within except—

Mr. BREWIN: Well, it is true though.

Mr. HELLYER: The roles are changing, Mr. Brewin. I think we should start from that premise. The roles are changing and this is a significant—

Mr. BREWIN: Now, that brings me to my next question, and you will see the point of what I am trying to get at later, which is that another method, whether we are doing it or not, besides increased efficiency and economy within roles, is a reduction of the roles we are attempting to carry out. I think this is evident, is it not?

Now, what I would like to suggest is that our form of setting forth the picture in the estimates we have here is out of date and antiquated, because it deals with each separate unit, it lumps all the expenditures together, and gives us no information whatever upon the allocation of the expenditures within either the different units of command, I think you call them, or within the different roles which I concede must be mixed up. I was wondering if it would be possible, without going into the mathematical detail, which of course we have to have in the estimates because they are a matter of detailed accounting—you used to use a figure of speech which appealed to me—would it be possible

to give ball park figures outlining our expenditures on various items, and I would name some of them just as illustrations rather than attempt to be complete; A contribution to NATO within the brigade group, the air division, and I think you call it the mobile force. I have not got the exact name—I mean the mobile force assigned or made available to NATO. Then, another one would be our contribution to the United Nations. How much did this cost in the various forces we supply there? Our contribution to the continental defence, perhaps subdivided into air defence and other forms of defence.

Then I would suggest these figures could be divided into operational expenses and the expenses of maintenance plus equipment expenses for these different items. One would go into the mobile force. I grant you the mobile force may be available for United Nations at some time, and may be available for NATO, and various places; but still we understand that great emphasis is being put on the mobile force, and I would like to see the figures of what we are spending on it; also perhaps our maritime command, our anti-submarine command.

Now, Mr. Chairman, I was not attempting in this analysis to give a complete picture of the different roles we are fulfilling, but I think it would be very valuable to this committee, certainly in my way of thinking, if we could have, in summary form at any rate, perhaps the allocation of personnel to these different roles set out in a table, but even more, the allocation of funds for resources. My question to the Minister which I would like to ask him about later if he is able to produce this, is whether it would be feasible without going into detailed accounting to make some sort of analysis along these lines?

Mr. HELLYER: This is a very good question and I would like to make two comments. First of all, the integrated defence program we are now in the process of implementing will, when it has been programmed, give you just exactly that information that you are asking for. The purpose of the IDP, as we call it, is to show us on a functional basis, or on a mission oriented basis where our money is going and to break it down in just the way that you have suggested. Now, we do not have that available for this year's estimates. I think we will have it available for next year's estimates, which will be the first estimates really based on the integrated defence plan. Your question is a good one; we are moving in that direction, and it is precisely that kind of information which we must have in making management decisions and which you must have in being able to judge them and being able to determine how expenditures relate to the stated policy of the government.

Now, in so far as this year is concerned, it is not possible to give accurate information broken down in that way. If you have some specifics that you would like us to take a ball park shot at, we will be glad to do what we can, but I would not want to give you any real undertaking that the accuracy would be too great. If you would let us know through the steering committee and the Chairman what you would like to have, then we would do our best to provide the information within the limits of the information-gathering system which is available to us.

Mr. WINCH: Before we adjourn may I just ask whether the information could be obtained?

I would like to ask the Minister or the Associate Minister whether they can give the Committee an approximate survey of the equipment supplies and property with cost values turned over since integration started to Crown Assets Disposal Corporation, with the major principals thereof?

The CHAIRMAN: Perhaps we could take up this question in the Steering Committee.

Gentleman, we have not finished the list of questioners and I know Mr. Brewin has not even got to his question but I think continuing in the baseball idiom which he introduced, as umpire I will have to call the game because of the lateness of the hour. So, we will adjourn the meeting today and we will re-assemble again at a later date.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

TUESDAY, MAY 17, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; and Mr.
E. B. Armstrong, Deputy Minister of National Defence.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. Lind,
Mr. Brown,	Mr. Hopkins,	Mr. MacLean (<i>Queens</i>),
*Mr. Deachman,	Mr. Langlois	Mr. MacRae,
Mr. Émard,	(<i>Chicoutimi</i>),	Mr. Matheson,
Mr. Éthier,	Mr. Langlois	Mr. Smith,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Stefanson,
Mr. Foy,	Mr. Laniel,	Mr. Walker,
Mr. Grills,	Mr. Legault,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

*Mr. Deachman replaced Mr. Honey on May 16, 1966.

CORRIGENDUM (English copy only)

PROCEEDINGS No. 2

THURSDAY, May 12, 1966

In Minutes of Proceedings:

Paragraph 5 should read as follows:

The Minister's statement referred to the major international commitments of Canada's Defence Forces, the integrated defence organization at both the Headquarters and field force levels, factors influencing the amounts in the Estimates for 1966-67 under various votes, and the present situation with respect to questions of morale, recruiting, re-engagements and voluntary retirements.

ORDER OF REFERENCE

MONDAY, May 16, 1966.

Ordered,—That the name of Mr. Deachman be substituted for that of Mr. Honey on the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

REPORTS TO THE HOUSE

TUESDAY, May 17, 1966.

The Standing Committee on National Defence has the honour to present the following as its

FIRST REPORT

Your Committee recommends that its quorum be reduced from 13 to 9 members.

Respectfully submitted,

DAVID W. GROOS,
Chairman.

TUESDAY, May 17, 1966.

The Standing Committee on National Defence has the honour to present the following as its

SECOND REPORT

Your Committee recommends that it be authorized to sit while the House is sitting.

Respectfully submitted,

DAVID W. GROOS,
Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, May 17, 1966.

The Standing Committee on National Defence met at 9.40 a.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Brewin, Brown, Deachman, Ethier, Fane, Foy, Groos, Harkness, Hopkins, Lambert, Langlois (*Chicoutimi*), Lind, MacRae, Matheson, Smith, Stefanson, Walker, Winch (18).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Mr. E. B. Armstrong, Deputy Minister.

The Chairman opened the meeting and read the Second Report of the Steering Subcommittee on Agenda and Procedure, dated May 12, 1966.

STEERING-SUBCOMMITTEE ON AGENDA AND PROCEDURE

THURSDAY, May 12, 1966.

SECOND REPORT

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 11.15 a.m. this day. The Chairman, Mr. Groos presided.

Members present: Mr. Foy (replacing Mr. McNulty), and Messrs. Groos, Hopkins, Lambert, MacLean (*Queens*), Mr. Winch (6).

Your Subcommittee agreed unanimously to the following decisions and recommends:

1. That the Committee recommend to the House that its quorum be reduced from 13 to 9 members.

2. That the Committee recommend to the House that it be granted permission to sit while the House is sitting.

Your Subcommittee also wishes to report that following the meeting scheduled for Tuesday, May 17, 1966 at 9.30 a.m. meetings of the Committee have been tentatively scheduled for Thursdays and Fridays beginning May 26, 1966 at 9.30 a.m. to deal with the detailed consideration of the Estimates.

At 11.50 a.m., the Subcommittee adjourned.

Respectfully submitted,

DAVID W. GROOS,
Chairman.

On motion of Mr. Foy, seconded by Mr. Hopkins, the Subcommittee report was approved.

Under *Item 1. Departmental Administration etc.* of the Estimates of the Department of National Defence, 1966-1967, the members continued their questioning of the Minister. The Minister agreed to consider the possibility of providing information as to the cost of defence undertakings under each of the headings suggested by Mr. Brewin. Similarly, the Minister agreed to provide certain information concerning numbers of CF 104 aircraft, as requested by Mr. Harkness. The Deputy Minister will attempt to obtain additional information requested by Mr. Smith concerning the cost of Canadian military contributions to NATO as compared with other member countries and amounts spent in West Germany for the maintenance of Canadian military personnel.

The questioners discussed various subjects related to European and North American defence, and suggested topics for future meetings. These suggestions will be considered by the Steering Subcommittee.

The Committee adjourned at 11.00 a.m. until Thursday, May 26, 1966. It is expected that the Associate Minister will make a statement at that time.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

TUESDAY, May 17, 1966.

● (9.30 a.m.)

The CHAIRMAN: I would like to call the meeting to order, gentlemen. I have here the second report of the steering committee which I would like to speak on before we start questioning the witness again. The second report of the subcommittee on agenda and procedure reads as follows: (*See Minutes of Proceedings*)

● (9.45 a.m.)

You have heard what the subcommittee has recommended. I do not know if there is any discussion on this—

Mr. LAMBERT: On a point of information, Mr. Chairman, has it been established through the Committees Branch that Thursday morning at 9.30 will be free for this Committee and that we are not clashing with too many other leading committees of the House so that we can get as much assistance as possible?

The CHAIRMAN: Well, we have cleared it with the Committees Branch that this time is available; whether we are going to clash with any other Committees I do not know. We had our name in first. I regret that today we have three other Committees meeting and some of our members are on all three of those other Committees, but this was something that was slipped in after we arranged ours. All I can say is that we had our name in first and we should be all right.

Mr. FOY: Is it at 9.30 on both Thursday and Friday?

The CHAIRMAN: Yes.

Mr. BREWIN: You may have got your name in first, which is very commendable, but the External Affairs Committee, that coincides in personnel to quite an extent—and I think ought not to clash for that reason—has been meeting regularly on Thursdays as I recall it.

The CHAIRMAN: I think there is some suggestion that they are not going to be going on too long and there is also the fact that some meet at 9.30 and some at 11 o'clock.

Mr. WINCH: I understand that the Public Accounts Committee now is trying to meet definitely at 11 o'clock so as not to clash with our Committee.

The CHAIRMAN: Well, I am glad to see them all caving in before this Committee.

Mr. FANE: We also have a Veterans Affairs meeting this morning which is a normal committee for people who are on defence to attend also.

The CHAIRMAN: Well, their Committee was slipped in after ours had been scheduled for this time. It is unfortunate, but I am glad to see that we have a quorum at this hour.

Could I have a motion for concurrence in this report?

Mr. FANE: Before we do that, Mr. Chairman, might I suggest that if you are going to be meeting on Friday mornings you should get in touch with the Minister of Transport and have the flight west reorganized so that we who go to the airport in Edmonton are not excluded from going home on Friday because we cannot get a flight. There are only two flights out of Toronto that go directly to Edmonton in a day now. One is at night and one is in the morning.

The CHAIRMAN: You are aiming for the one in the evening I take it.

Mr. FANE: Not exactly.

The CHAIRMAN: We will have a word about that afterwards.

Mr. FANE: Just in case.

The CHAIRMAN: Well, gentlemen, you have heard the second report of the steering subcommittee. Could I have a motion for concurrence?

Mr. FOY: I so move.

Mr. HOPKINS: I second the motion.

The CHAIRMAN: It is moved by Mr. Foy and seconded by Mr. Hopkins that the second report of the steering committee presented this day be concurred in.

Motion agreed to.

Mr. FANE: Are we going to consider sitting while the House is in session?

The CHAIRMAN: That was part of the recommendation of the subcommittee.

Mr. WINCH: Only if required; that is very definite in the minds of the Committee, only if it is actually required.

The CHAIRMAN: Now, gentlemen, we are back on the estimates again, Item 1, Departmental Administration; if members wish to continue with their questioning of the Minister.

When we adjourned last time Mr. Brewin had started a line of questioning so I will call on Mr. Brewin now.

Mr. BREWIN: Mr. Chairman, I suggested last time that I wondered if the Minister could furnish us with the—

The CHAIRMAN: One moment, Mr. Brewin. I have been asked by the Committees Branch to ask the members when they are speaking—as this is all being recorded on a tape recorder—if they would place the microphone in front of them when they are beginning their questioning.

Mr. BREWIN: Yes. Mr. Chairman, I was saying that the last time we met I suggested that the Minister might be able to furnish the statement on the estimates for the current year under different headings. I have made a note, which I will put on the record, if I may, of what I suggest. I would like to say that this is only a rough picture and if the Minister sees a better way of presenting the information that I have asked for I would be very glad if he

would change it. I wish to know about the expenditures in the current year attributable by commitments.

Number one is NATO, and I have put subheadings there: brigade group, air division and the battalion for the allied command mobile force. I have not put in there, and perhaps I should, our NATO contribution through the ASV is it—the SACLANT or something—the navy contribution, at any rate, to NATO.

Then, under item two, peacekeeping forces; I have put them under three headings. UNEF, Cyprus, and others—because I know there are quite a lot of miscellaneous groups.

The third item I have is on continental and North American defence which I have put under NORAD and others.

The fourth item is—I do not know whether these cross each other a bit—the mobile force; air transport command and then the maritime command.

Then, I thought, perhaps, it might be useful to have a heading, administrative or headquarters expenditures. Now, this may not be by any means an exhaustive list, but I am wondering if it would be possible to put in current expenditures and expenditures for equipment, and that sort of thing? I do not know how, but I would ask the Minister to make whatever subdivision he thinks would be helpful because what I am trying to do is to get a glance at the different roles that we are called on to perform; what they cost us in money and how we divide up our effort, as it were.

Hon. PAUL HELLYER (*Minister of National Defence*): As I indicated last week, I think it would be rather difficult to get meaningful figures covering all of these areas, but I will be glad to discuss this question with the deputy minister and see what information we can provide that will be useful to the Committee, and to follow the suggestions as closely as we can, having in mind the requirement that the information be reasonably accurate.

Mr. BREWIN: Might I go on to another subject then, Mr. Chairman?

The CHAIRMAN: Yes, please, would you?

Mr. BREWIN: I want to ask about our air division in Europe. I think the Minister stated last time—and I think this is in line with the recommendations in the White Paper—that we do not plan to acquire new CF-104s. I want to ask him if we—and I think he said that the numbers will decline—I want to ask him if we do not acquire this particular aircraft, is there a replacement for this role? I understand it is a straight reconnaissance role; if we are not going to replace this aircraft are we going to replace it with something else to carry on the role or are we phasing out of this role altogether?

Mr. HELLYER: There is no equipment in the integrated defence plan to replace aircraft in that particular role.

Mr. BREWIN: Has our phasing out of that role been discussed in NATO with our allies?

Mr. HELLYER: We have discussed it, yes. There has been no decision taken but there has been some discussion based on the policy of the government as laid down in the White Paper.

Mr. BREWIN: Have you been requested to replace the CF-104s with some other form of a straight reconnaissance role?

Mr. HELLYER: I think you must be careful here to distinguish between the airplanes and the roles. There has been no request as yet to replace either. We are at the present time, however, as you know, considering the force goals for the next three year period and this would be the time that we would begin to project into the future what our commitments would be.

Mr. BREWIN: Can the Minister tell us whether it is contemplated that whether we change the type of aircraft contemplated that we contribute to this role in the future? Has it been ruled out as a matter of policy or is it in contemplation.

Mr. HELLYER: The commitment still exists, Mr. Brewin. We still have the airplanes which were acquired for the role. At this moment they have a dual capability and a dual role actually; the six squadrons in Germany being strike squadrons can also be used for non-nuclear ground attack, the two squadrons in France being exclusively reconnaissance. But there are an adequate number of airplanes in the inventory to continue to carry out these roles for some period of time to come. The staff is at the moment determining the best configuration in terms of squadrons and numbers of planes in order to get the maximum utilization.

Mr. BREWIN: I recall your telling us in the House—I may have got it wrong—it was your suggestion at the last NATO meeting of the defence ministries, that the forces or roles be assigned for a period of five years ahead.

Mr. HELLYER: This was really Mr. McNamara's suggestion that NATO adopt a five year rolling plan and the suggestion was heartily endorsed by ourselves because it is in fact what we are doing in Canada and what a number of other NATO nations are doing, or planning to do, in their defence departments. It has not yet been implemented.

Mr. BREWIN: Well, then, our air division, is its contemplated life usefulness approximately five years now?

Mr. HELLYER: It will depend entirely on the size of the air division, both in squadrons and numbers of planes, what its effective life will be. There are a number of options. You can maintain the effective life much longer, of course, with a smaller number of squadrons and planes. This is a decision which has yet to be taken.

Mr. BREWIN: If I may follow that on about two stations, if that is the right word, in France, Metz and Marville is it?

Mr. HELLYER: Correct.

Mr. BREWIN: We are required by the French decision to close down the stations within a year, is it?

Mr. HELLYER: In their note they asked us to vacate them by April 1, 1967.

Mr. BREWIN: In view of the proposal—I understand the proposal to be to phase out of our air role in Europe—is it contemplated that we replace those somewhere else or just let them go as it were?

Mr. HELLYER: I think Mr. Martin indicated to the External Affairs Committee there are a number of options open to us and that all of these are being

studied now by the staff of the two departments in order that a policy may be presented to the government for approval.

Mr. WINCH: Is there a joint committee on that plan?

Mr. HELLYER: There is a joint planning group.

Mr. BREWIN: Those are all the questions I have to ask on the air division. I have one or two other things; should I go right on?

The CHAIRMAN: Mr. Fane indicated that he would like to ask some questions and then we could go back. We have been keeping them fairly short in the initial questioning. Could you wait until Mr. Fane has asked his questions?

● (10.00 a.m.)

Mr. FANE: Well, Mr. Chairman, I am not quite sure whether I should ask the question I have to ask here or whether it should not be asked of the Secretary of State for External Affairs. However, I had better tell you now that Mr. Brewin asked part of my question about the bases in France. The question I was asked most frequently when I was home over the week end was with respect to those same bases in France; people wanted to know what was behind the demand by the French government to have Canadian bases moved out of France and they were suggesting that if the French government did not want the protection of the NATO force any longer, we should move the whole NATO force out of there and bring our Canadian forces home. These were some of the questions put to me. I wonder if this is the place to ask for clarification.

Mr. HELLYER: I think your question might be more appropriately put to the External Affairs Committee.

Mr. FANE: I think you are very astute in answering like that. I gave you the out for it.

An hon. MEMBER: He has the Paul Martin approach already.

The CHAIRMAN: Mr. Lambert has a supplementary question on this, Mr. Fane. Can he ask it now?

Mr. FANE: Yes. I got my answer.

Mr. LAMBERT: My question is in relation to command headquarters at Metz and also the station at Marville.

I have seen it suggested in print that the Department of National Defence contemplated closing these two formations even before President de Gaulle announced the decision of the French government. Is this so?

Mr. HELLYER: No, Mr. Lambert. What was under contemplation was some method of reducing the overhead of the headquarters. This had been an area under study, but no conclusions had been reached.

Mr. LAMBERT: But it had been under study?

Mr. HELLYER: There was some study given to the headquarters at Metz and also to the over-all configuration of air division, but not specifically in relation to Marville.

Mr. LAMBERT: I should like to ask a related question if I may, unless someone else has a question. Are you able to tell the Committee at what point

you might consider attrition of the present CF-104 to have reached the point where it is no longer a viable force? In other words, can you say when the strike reconnaissance role, with the number of aircraft available, will reach the point where it no longer plays a viable role? After all, the intention has been announced not to acquire any more CF-104's. When do you foresee that this might be a decision to be reached?

Mr. HELLYER: We will have enough airplanes to maintain a viable force for a number of years.

Mr. LAMBERT: Will that be two years or five years?

Mr. HELLYER: I would say even longer than that.

Mr. BREWIN: I would like to ask a question on this point. I remember we were told at a prior sitting of the Defence Committee that these forces were highly vulnerable, that rockets were trained on these sites which could destroy them in a matter of moments. Is that correct?

Mr. HELLYER: I suspect that all military installations in western Europe are possible targets for enemy forces in the event of hostilities.

Mr. BREWIN: You are acquiring a very skillful way of being vague.

Mr. HELLYER: I think my hon. friend will appreciate that we do not have access to the enemy's war plans. However, we do know they have a number of intermediate range ballistic missiles. One can only assume that if they were to take the same priority on targets as we would if the shoe was on the other foot, then these bases would be amongst their scheduled targets. But this is an assumption.

Mr. BREWIN: It is an assumption that I remember General Foulkes made, and you have nothing to show that it is a false assumption?

Mr. HELLYER: No. I have no reason to believe that it is not a fair assumption.

Mr. SMITH: So that the role of the Starfighter is really the same as an intermediate range ballistic missile, is it not?

Mr. HELLYER: I would not say it is precisely the same. The role of the strike fighter is to interdict both known and moving military targets. The first requirement of this fighter would be to knock out military installations in order to reduce the enemy's war making capability. They also have the ability of seeking out any—

Mr. SMITH: There is very limited ability of manoeuvreability with the Starfighters, is that not so?

Mr. HELLYER: Well, this is a relative thing. I think they have some flexibility, but because of the nature of the strike role, it is not a casual thing; it is a role which relates to specific concentrations of military power.

Mr. SMITH: So in effect it has a limited manoeuvreability?

Mr. HELLYER: It would be more precise to say that its intended use is within a fairly narrow framework.

Mr. SMITH: The intermediate range ballistic missile is also in a fairly limited framework.

Mr. HELLYER: If you assume the targets are of the same type, then there is this relation between them.

Mr. SMITH: So what a Starfighter can do that an IRBM cannot do is comparatively limited?

Mr. HELLYER: But what it can do, which an IRBM cannot do, is look around to see if there is something of a military nature in the vicinity.

Mr. SMITH: That is within a very limited field of operation.

Mr. HELLYER: I do not quite understand this limitation, because an airplane can fly in all directions, it would depend on the number of airplanes involved.

Mr. SMITH: The number of targets that could be hit with an IRBM would also depend on the number of IRBM's you have.

Mr. HELLYER: That is true. However, the difference is that airplanes can seek out targets which are not previously known, while an IRBM must be targeted on something where the co-ordinates are known.

Mr. SMITH: But surely the number of targets they can seek out must be limited by the fact that they fly at a very high rate of speed and at a very low level.

Mr. HELLYER: Normally it would be, but they do not have to fly at a low level.

Mr. SMITH: And, also, is it not right that they have a comparatively limited range; in other words, they can only fiddle around so long or they will never get back to their base?

Mr. HELLYER: They can cover a fair amount of territory before they have to return to their base.

Mr. SMITH: The maximum outfly though is not so much greater than an IRBM again.

Mr. HELLYER: Well, in most cases it is not even the same as an IRBM. The IRBM has a considerable range, but it does not have the flexibility that an airplane has.

Mr. SMITH: Well, surely the missiles must be sufficiently sophisticated now so that their course can be changed during flight without the necessity of having a man on them?

Mr. HELLYER: Well, this is not really the problem. The problem is to identify the target. There is no sense changing the course during flight unless you know where you want the missile to go.

Mr. SMITH: I often wonder how many targets of choice the pilot of a Starfighter will ever have.

Mr. WINCH: Mr. Chairman, the discussion of the past 15 minutes leads me to ask a general supplementary question. Of course, I do not intend to bring up the information given to the Committee at its in camera meeting. However, in view of that meeting and the information we were given with respect to the

strike and the defence potentiality of the U.S.S.R. and its satellites, is it the intention of the Minister to give us the picture on the opposite side, namely the position of the western powers with regard to strike and defence potentiality?

Mr. HELLYER: Mr. Winch, there is no plan to do this but if the Committee is interested in some additional information, we will certainly consider what we can provide of a useful nature.

Mr. WINCH: Mr. Chairman, I think that is very important, especially in view of the discussion with respect to Canada's role in Europe now and possibly in the future. In order to relate our Canadian position to the position of the general western powers, I believe we should receive the counterpart information to what was given us at the in camera meeting. It strikes me as being absolutely illogical to try to reach a decision or to formulate ideas or questions in this Committee unless we have those two sides. So I hope this information can be given to us in the near future.

Mr. HELLYER: We will take that under consideration.

Mr. HARKNESS: Mr. Chairman, I would really like to start with a general question as to what the procedure in the Committee is going to be. So far we have had a general statement from the Minister and then some general questions wandering about from one subject to another. What has the subcommittee done or decided with regard to the method in which we are going to proceed generally in the Committee? In other words, it seems to me that we are not going to get very far if we ask questions about the air division, mobile commands and then about something else. This is a hit and miss and sort of a haphazard way of procedure. It seems to me that we should start the actual work of the Committee by going into certain matters more or less seriatim and deal with each one as exhaustively as we find the time or desire to do so.

The CHAIRMAN: Well, as you know, Mr. Harkness, the subcommittee decided that after hearing the statement of the Minister we would do some general questioning of the Minister. It was also decided that if we did not develop any specific line of questioning in sequence, it would be our intention to continue with the various items on the agenda, but to leave item 1 open so that if a subsequent line of questioning did come up we would have an opportunity to ask the Minister or someone on his staff to attend a subsequent meeting. That was about as far as we got so far as the agenda for these meetings was concerned.

Mr. WINCH: I also understood, Mr. Chairman, before we move on, that at this time we were going to hear a statement from the associate minister. That is correct, is it not?

The CHAIRMAN: The associate minister is here to be questioned, if that is the wish of the members.

Mr. WINCH: But I understand he has a statement as well.

Mr. HELLYER: This is a statement on a specific area that we understood the Committee was interested in.

The CHAIRMAN: This is a matter which was brought up at the steering committee meeting.

Mr. HARKNESS: What matter is this?

The CHAIRMAN: This is the matter of the dockyards situation.

Mr. HARKNESS: Well, it seems to me that really the most important thing that this Committee can look into at the moment is the general morale and situation in the services. The Minister gave us a general outline saying that all is well in that regard and so forth. However, all the evidence that I have had from a very large number of people, both active and recently discharged personnel, is to the exact reverse. There is not much sense in making a statement myself, as I have done in the House, along that line and then the Minister making a statement in the opposite direction. This does not prove anything or get anyone anywhere. Therefore, I believe the most important thing the Committee can do is to go into the question and try to resolve exactly what the situation is. Therefore, I would suggest that that should be one of our very early matters of investigation. In this connection I think we should secure evidence from recently retired officers, NCO's and men in regard to what the morale situation actually is in the services, what the reason is for the decline in morale or lack of morale, and thus try to arrive at what can be done to improve the situation.

The CHAIRMAN: Well, Mr. Harkness, while the Minister is here he is certainly available for questioning on this very point. If you wish to ask him any of these questions to lead off, you may do so.

● (10.15 a.m.)

Mr. HARKNESS: It so happens that I have to leave here in about three or four minutes I have another engagement this morning. Actually I did not know this Committee was going to meet today. I thought it was going to meet on Thursday again. I did not realize that it was meeting today until I received my notice yesterday and, therefore, as I say, I made these other arrangements. So I will not be able to be here for more than three or four minutes.

What I wish to ask is what sort of a program can be laid out for the Committee, and I put forward the suggestion that this is one of the first things we should go into. I do not think it is any use just to question the Minister and officials here with regard to the situation. I think we have to have some outside evidence.

The CHAIRMAN: Well, I think this is another thing which could be brought up at the steering committee meeting. We can decide amongst ourselves there what particular line we wish to adopt, but I would suggest also if you are going to lead off on this subject that this is the time to do it while the Minister is present and the Associate Minister of National Defence. If you cannot do it now then perhaps we could have one of your colleagues or—

Mr. SMITH: Most of the questions up to now—that I heard this morning anyway—have been related to NATO and the employment of the armed services—our military policy. Perhaps we should finish with that and then deal with the reorganization, the integration in the services, because that is where morale and manpower come in. There will be a fair number of questions, I should imagine, from the Committee and that certainly will mean more questions than can be dealt with in five minutes. We should have a meeting on that specific topic and all questions will be confined to that particular phase.

The CHAIRMAN: Well, we have not quite finished the questioning that is before us already. I have two more speakers.

Mr. HARKNESS: How many CF-104s have we in operation at the present time?

Mr. HELLYER: We are looking up the figure for you, Mr. Harkness, I am not sure—

Mr. HARKNESS: Perhaps I could just ask these questions and they could be produced in time for the next meeting. I would like to know the number we have in operation at the present time; the number of those which are in the air division; the number that are here in Canada for training purposes—

Mr. HELLYER: I do not think, Mr. Harkness, that we have ever given the exact number in the air division as such. I think that was your policy and I do not think it has been changed.

Mr. HARKNESS: I would like to know the number which are actually employed in the strike reconnaissance role and the number which are actually employed in the photo reconnaissance role. Included with that, of course, would be the number of squadrons of each kind and the number of planes in each squadron.

Mr. HELLYER: I do not think it has been the practice to give the number of planes in each squadron. I was never too convinced that this was a high priority matter of security but I do not think it has been the practice to give them. However we can look into that. Certainly we can give you the total number in operation at the present time.

Mr. HARKNESS: Well, actually the numbers that were supposed to be in each squadron were originally given. I can recall giving them myself.

Mr. HELLYER: I will check that out.

Mr. HARKNESS: This is before the squadrons were actually in operation; it was at the time they were being formed.

I am sorry, excuse me, but I have to leave.

The CHAIRMAN: Mr. Walker, you had a question.

Mr. WALKER: It is just a general question. Can NATO carry on without the United States or do you exercise the pull out, Mr. Minister?

Mr. HELLYER: I think the form of the alliance would then be so changed that one would have to consider the matter from first principles.

Mr. WALKER: There has been a lot of talk, or some talk, that rather than keeping a lot of troops and equipment over in France, with the advent of the few good carriers that they are building, this might be the way of the future for the NATO operations in so far as the United States are concerned. They might whip their staff over just by transport rather than have installations there. Is this sort of talk going on within NATO itself from the off-continent members of NATO?

Mr. HELLYER: This question was dealt with briefly at our last meeting, Mr. Walker, and my reply was that primarily the mobile capability of Canada and the United States was looked at as a way of augmenting the force available in

an emergency rather than as a substitute force. It does give you a greatly increased capability because you are able to take forces where they are required if there is a heightening in tension or if there was a real emergency.

Mr. WALKER: As far as Canada is concerned has this been looked at from the viewpoint of the cost? Is it cheaper for us to move on short notice whatever might be required on an emergency basis from Canadian installations?

Mr. HELLYER: There are many more factors than just cost. Probably the most important is the political solidarity of the Alliance and the military advantage of having integrated forces on the central front trained and in position. After that comes the relative cost of maintaining them.

Mr. WALKER: Another fact is that you have made a very real contribution to public confidence—

An hon. MEMBER: Hearts and flowers.

Mr. WALKER: No, this is the truth. Your contribution to the public confidence is the fact that we get more for our dollar now than we have until now. I do not think that the public think in terms of the dollar purely for military equipment and for men. They do not realize that we may be investing dollars in political stability, for instance. They are just looking at that tax dollar. There has been talk about which is the cheapest method of the pure military contribution of moving the men from here rather than having permanent installations over there.

Mr. HELLYER: We have given some thought to all aspects of this problem, Mr. Walker, but we really start from our terms of reference which are basically the Canadian foreign policy. The Canadian foreign policy has been, since the North Atlantic Treaty Organization was formed, to maintain some active military components on the continent of Europe. We have started from this base, and then what we really have been looking at more closely and precisely is methods of augmenting this capability with those components which in Canada were earmarked as reserves in the event of an emergency and which, in fact, were largely paper reserves because they had no equipment and no strategic mobility. It is in these areas that we are getting a large increase in capability for relatively small cost because we hope that we will be able to move the balance of the force not just to Europe, if it were required, but anywhere else in the world where it is required. This is the area in which we are getting our biggest returns from the investment being made.

Mr. WALKER: This latter technique which you are talking about is more in line maybe with our other posture of our peacekeeping forces—

Mr. HELLYER: It expects us to do any of these things that are really in accordance with Canadian foreign policy from time to time and it gives us a much greater capability and a much greater flexibility to meet national needs.

Mr. WALKER: There is an intelligence branch, I imagine, over there. Is Canada contributing to it? Do we have our share of military intelligence personnel or is it all provided by one other country?

Mr. HELLYER: We have a military intelligence section under a directorate of military intelligence.

● (10.30 a.m.)

Mr. WALKER: One other thing, Mr. Hellyer, in a different area, with regard to EMO—Emergency Measures Organization—is there any thought at all that this should much more properly be under the Defence Department rather than under the Department of Industry?

Mr. HELLYER: This is a matter of government policy, Mr. Walker, on which I am really not in a position to comment. It has been the policy of both the previous government and of this one that it be under one of the civilian sections, first under the Privy Council and then under the Department of Defence Production—at least, under the Minister of Defence Production.

Mr. WALKER: Should it not be more in relation to militia?

Mr. HELLYER: There is a very close working relationship between the two organizations, and we have certain specific functions allocated to us which we perform, but the overall responsibility has been as a matter of policy—

Mr. WINCH: —could we not discuss this, sir?

Mr. WALKER: Have you thought of getting a transfer made in connection EMO.

Mr. HELLYER: No, we have not, Mr. Walker.

The CHAIRMAN: Mr. Matheson, when we adjourned on Thursday, I had you down as the next questioner on my list. I do not know if your question has been subsequently asked, but would you care to ask your question now?

Mr. MATHESON: I would like to ask a question of the Minister, Mr. Chairman, which is quite hypothetical. In the light of the continuing re-assessment of Canada's role in NATO, having in mind the comments that I think were made to us by Peter Thornycroft in London indicating that perhaps we had the most positioned troops being used in the worst way, pinned down when they really had ability for mobility, fire power, and rapid action over a wide range. Bearing in mind the fact that the Canadian brigade as we know it in Europe is an elite brigade, and that we are thinking in terms of a much more exciting concept of peace-keeping, developing the skills of transport and integrated services and so on, has the government given any serious consideration to the possibility of establishing on some co-operative basis, bases perhaps in the eastern extremity of the Caribbean area so that Canada could locate some of her armed forces there, which might very substantially add to the economy of certain of the islands, and could perhaps do a great deal to develop the intercommunications between the islands and Canada? Perhaps I am posing my question badly and you might permit me to follow it up with subsequent questions if it is not clear.

Mr. HELLYER: There has been no discussion of this proposal, Mr. Matheson. There is, however, an exchange of cadets between the Caribbean islands and Canada each year, as you probably know. We fly Canadian cadets to the West Indies; we transport cadets from island to island in the course of picking up cadets from that area to bring back to train in Canada, and this is helping to establish closer relationships between that area and this country.

Mr. MATHESON: I am interested in this point because of interest in the past in external affairs committees that were studying the overseas contributions of Canada which I felt, frankly, were picayune in comparison with their possibilities. It seems to me that one of two things could happen. Either there are certain island groups that might be prepared even to consider federation with Canada, become part of the Dominion of Canada, and then they would work as part of our own country; or, alternately, it is conceivable that we might make arrangements with various of our very close friends in the Caribbean to establish leases for a period perhaps of two or three years, so that we would have military bases, not indefinitely, but long enough to establish bases which would be of long-run value to them. In this way we would train our services over a period of perhaps a projected 25 years, and could do a great deal to develop within the Caribbean area an integrated communications system to which perhaps Canada could contribute as no other country could.

I wonder if it is possible for the department to work—not in any imperial way, I do not mean that at all, with our closest friends—in the hemisphere, the Caribbean people to the end of providing greater world defence, and at the same time tending to do a positive job which would assist them. I am thinking of what we did years ago in transport ships, to the great value to the islands.

It seems to me that we have now come to a point where in other media, aircraft and other communications, television, and so on, the same sort of thing should be done, and that this is all part and parcel of western defence.

Mr. HELLYER: My own immediate reaction, Mr. Matheson, is that there are areas in which we could make greater contribution than bases, although if there was an over-all political agreement between the islands of the Caribbean, then it could be looked at in that context. But failing that, I think it would be rather difficult to explain to the Canadian people why we are establishing new bases, and particularly bases that are only contemplated for use by us for a short period of time, when coincidentally we were closing bases in Canada as part of the base consolidation program in order to use more effectively the resources that we have, and to get better value for the defence dollars being spent. It would seem, I think, to be an inconsistency in respect of the over-all policy, provided there was not some overriding political requirement.

Mr. MATHESON: The only point that I am trying to make is that I gather one of the key ingredients of the new integrated force is the quality of mobility, the fact that Canadian forces can be transported over land, over sea, for comparatively long distances quickly. It would appear to me that if this is so, and if we still continue to play some kind of important role in, say, the SACLANT aspect of NATO, it would certainly fit in with the over-all picture to have some kind of place or places where, on a co-operative and friendly basis, we could be operating with our close allies—and I am thinking of the Caribbean as having perhaps the people with whom we would like to enjoy the most intimate contact, both economically and politically.

An hon. MEMBER: The weather is good there, too.

Mr. MATHESON: Yes, the weather is admirable, and the people are the very best allies that we could hope to have as friends—Commonwealth friends. New political complexes are being left out, feel left out.

Mr. HELLYER: I have some sympathy for your philosophy, but I think as a matter of practical importance there may in fact be other projects of industrial development and commercial relations which would provide more benefit both to them and to us than the establishment of military bases.

Mr. WINCH: I wonder whether we are on the External Affairs Committee or the Defence Committee, Mr. Chairman.

The CHAIRMAN: Gentlemen, I have Mr. Smith and Mr. Lambert on our list, but also—

Mr. BREWIN: Mr. Chairman, I have not finished. I waived going on, but I have with me two letters—which I think are of great importance—to be discussed some time.

The CHAIRMAN: We also have the Associate Minister here who has a short statement to make. I am in your hands. Would it be your wish that we should continue on with this questioning as at present, or should we ask the Associate Minister to make his statement.

Mr. SMITH: I would like to ask a few questions about NATO.

The CHAIRMAN: Then let us continue on. I will call the questions in the order of Mr. Smith, Mr. Lambert and Mr. Brewin.

Mr. SMITH: It has been reported in the newspapers that conversations are going on in Bonn between the Americans and the Germans. The Americans are asking for some \$750 million a year as the German contribution to the maintenance of American forces in Germany. Are there any parallel conversations going on in which the Canadians are asking the German government to make proportionate contributions for the maintenance of Canadian servicemen in Germany?

Mr. HELLYER: I think, Mr. Smith, this question too should really be asked in the External Affairs Committee because it touches on aspects involving several departments of the government.

Mr. SMITH: Does the German government make any contribution to the maintenance of our forces in Germany now?

Mr. HELLYER: No, they do not.

Mr. SMITH: Do we pay any sum of money to the West German government or any public agency of the West German government for rental of bases, or rental of facilities, or land damage for training schemes?

Mr. HELLYER: Since the deputy minister is with us, maybe he would like to come up and give us some additional information on this question. We have agreements with the West German government with respect to housing accommodation, and when, as a result of exercises, there is damage done, I think there is some prescribed method of handling settlements with—

Mr. SMITH: But do we make any payments to the West German government?

Mr. E. B. ARMSTRONG (*Deputy Minister, Department of National Defence*): The only payments we make for accommodation are in relation to the housing agreements, and that is a rental agreement with the German government. The

actual accommodation that we occupy in Germany, in so far as the brigade is concerned, was built by the German government some years ago, and they paid the capital cost; but the maintenance of the buildings, exclusive of those that are supported from infrastructure, are paid for by Canada.

Mr. SMITH: That is, the maintenance of the barracks?

Mr. ARMSTRONG: That is right.

Mr. SMITH: Now, you mentioned the rental agreement, Mr. Armstrong; could you differentiate between buildings which are used for housing, residences, and buildings which are used for barracks and barracks stores, and so on?

Mr. ARMSTRONG: Yes. The only accommodations which were built under the rental agreement are the married quarters which are occupied by families, and the schools. The schools and the quarters were built under the same agreement with the German government.

Mr. SMITH: And we pay rent for those?

Mr. ARMSTRONG: We pay rent for those.

Mr. SMITH: And I presume that the service personnel are charged a certain amount of rent for their occupation, are they?

Mr. ARMSTRONG: They occupy them under the standard rules which apply to all married quarters.

Mr. SMITH: But there is no payment of rent for the military camp?

Mr. ARMSTRONG: No, no payment of rent for the military camp.

Mr. SMITH: I think the Minister mentioned damage in training exercises. Does the German government assume that liability, or do we?

Mr. ARMSTRONG: I think I had better get you the answer to that question. We do not do it directly; there are certain arrangements under which this is handled, but I have forgotten the details of them right at the moment.

Mr. SMITH: Now, are there any figures or any comparisons available of the offshore cost of the maintenance of our services in NATO—that is, in Europe—as compared to the cost of the other small and middle powers in NATO of the maintenance of troops, services and facilities outside their boundaries? For example, is there any cost figure that could be available of what Holland spends to maintain its NATO forces, outside of Holland, or Belgium outside of Belgium, or Italy outside of Italy?

Mr. ARMSTRONG: I do not have those figures myself.

Mr. SMITH: Has anything ever been prepared, or could it be easily prepared? The point of my question is that I would like to know how much of a drain our NATO participation is in terms of foreign exchange and offshore expenditures as related to the other NATO countries? It seems to me that, proportionately, our expenditures outside of Canada is much greater—both in total and related to our size—than any other of the NATO countries except the United States and Britain. Is the question understandable?

Mr. ARMSTRONG: There is some statistical material available in relation to the balance of payments position of the various countries that are associated with NATO. I do not have the figures here before me.

Mr. SMITH: Could that be obtained?

Mr. ARMSTRONG: I think it could be obtained. I think there are some limitations in these figures, but figures are available.

Mr. SMITH: A few years ago Air Marshal Miller brought a chart showing the contributions per capita of all the NATO nations to NATO and to the military side of NATO, but it was in relation to the total amount that they spent or alleged they spent. My question deals more with what we spend outside our country to maintain our brigades, to find the real cost to us of these buildings.

Mr. ARMSTRONG: I think I understand your question, and as I say, there are some figures available on this, and subject to certain limitations that apply to that kind of figure, we could give you some information on this.

Mr. HELLYER: In reference to that subject, a request was made at the Council of Ministers last year for the standing committee to take a look at this and prepare some information, but I cannot tell you whether or not they have done it. I think we could inquire and see whether they have, because other countries in NATO are interested in the same information.

Mr. SMITH: I have one final question, if I might, and that relates back to the Starfighter and the IRBM, and it is this: The sources that I read of American armed military affairs are always discussing cost effectiveness study, and I believe in all weapon acquisitions they make cost effectiveness studies. Is there any study, either by us or by any of the NATO people, of the cost effectiveness of the Starfighter as compared to an intermediate range ballistic missile? Is there anything that has been done, is being done, or in contemplation?

Mr. HELLYER: Mr. Smith, there is none that I know of, but this is the kind of exercise that you would want to do if you were to accept the continuation of the role over a period of time, and then to consider replacement equipment for doing it. The present role is satisfied by the equipment that we have available.

Mr. SMITH: Normally, Mr. Hellyer, I understand that these studies are done before the acquisition of the weapon, but I was wondering, having regard to the high attrition rate of the 104's as well as the pilots generally, whether any immediate study was being done relating to this.

Mr. HELLYER: There is no immediate study, nor would it be justified, because the first step would have to be the acceptance of the continuation of the role, and this would be projecting many, many years into the future, and well beyond the current time frame of study. Subsequently, if one were to continue in the role, and study the options, I might say that this is where the real advantages of a unified force would come in as against single services, because you could then look at the options, which in this case do involve other weapon systems. The same role could be performed—in part, at least, if not completely—by extended range Pershing missiles—

Mr. SMITH: Your answer confirms my opinion that we are not going to stay with that role any longer than we have to.

Mr. HELLYER: —or by Polaris from ships or submarines, you see; these are options, in performing it, if you can look right across the whole military spectrum and not be confined to a single service. But your starting point would be the political decision to continue in a particular role, following which you should look at the best way of performing the role.

Mr. LAMBERT: I take it that the brigade group in Europe as well as the brigade in Camp Petawawa are what are classified as heavy brigades because of the type of equipment that they have.

Mr. HELLYER: Under our reorganization, Mr. Lambert, we will have two heavy brigades and two air portable. One heavy brigade will be for number 4 CIBG in Europe, and the back-up heavy brigade will be at Camp Gagetown. The other two will be organized and equipped on an air portable basis.

Mr. LAMBERT: And their classification is on the basis of the armoured vehicles and the type of howitzers and back-up artillery that they have; is that not right?

Mr. HELLYER: This is related to the kind of brigade. For example, in the two heavy brigades we will have the 155 mm. self-propelled howitzers and the heavy tanks; in the air portable, we will not.

Mr. LAMBERT: Now coming forward to the classification of the heavy brigade, the Centurion tank has a limited life ahead of it. What is being considered as a possible replacement, or is this going to be a role that will be phased out and that, ultimately, the brigade in Europe should be considered perhaps as a light transportable brigade? In other words, are we going to convert our four brigades because of the perhaps more suitable equipment or the reduction in the value of the role of the heavy tank, as far as Canada is concerned, into light transportable brigades?

Mr. HELLYER: Mr. Lambert, the experts can correct me on the time frame if I am wrong, but my understanding is that the Centurion tanks, as they have been upgunned, will be satisfactory through until the early 1970's, and by that I mean just beyond 1970, 1971 or 1972, and that our present plan will leave open until about 1970 the option of whether in the time frame beyond that we want to maintain the two heavy brigades as heavy, in which case we would have to have a replacement tank, or whether we would want to convert them at that time. So this leaves the choice available to us for about four years before we have to decide.

Mr. LAMBERT: The reason I am asking that is that I was wondering about the implications, as it has been suggested in certain articles—I am not going to be the originator of this idea—that ultimately the concept of the mobile force would cover all of our brigades, and that, actually, the brigade in Europe would become part of Canada's mobile force.

Mr. HELLYER: Mr. Lambert, this is one of life's most difficult questions. If one could foresee with certainty the types of conflict which might arise in the future, one would know what the answers are.

In this particular case, I think we will have to decide in three or four years which course we are going to follow. One advantage of having some heavy brigades is that you can always, by eliminating elements—leaving elements

behind—reduce them and make them air portable. If, on the other hand, you were involved in some kind of engagement requiring heavy equipment, you could not readily acquire them in a hurry. Now this is a very difficult question and one where decisions have to be made, but where decisions have to be made in the light of the probability of various kinds of conflicts.

Mr. LAMBERT: The reason I am asking this question is that I am searching here for an alternative role or another option for the air division which seems to be coming together, or, shall we say the date of decision as to an option for the air division will be coincidental with the decision to which you are referring in the early 70's, and that this would obviously, if we were going to convert the two heavy brigades into air transportable brigades or the lighter, more mobile brigades, require a much greater concentration on air transport in order to handle it. This would offer a viable role, a discussable role, for the air division in lieu of this—as has been, I think, clearly indicated—role that has suffered from attrition, the role of strike reconnaissance. If we are going to consider the possibility of European forces being possible mobile forces—and you have tacked on the CF-5 to the mobile force—what are you going to do with the CF-5? Are you going to put it in Europe? It is of no use in Canada.

Mr. HELLYER: On the first question, Mr. Lambert, I think we need extra air transport regardless of the decision as to whether the brigade in Europe will be heavy or air transportable.

We just do not have, in my opinion, an adequate capability yet to move the two air portable brigades from Canada to Europe or elsewhere when they are required quickly enough. So therefore I think a very substantial augmentation in our airlift is required in any event.

On the second question respecting the CF-5, we have not yet decided for sure whether or not any of them will be located in Europe.

Mr. LAMBERT: What will they do in Canada?

Mr. HELLYER: What will they do? The same as the rest of the mobile force does; exercise and be available to go where required when required.

Mr. LAMBERT: As has been suggested, would they not be just as available and just as flexible if they were located in Europe, where they might be of some use, as against in Canada where they are of no use at all?

Mr. HELLYER: Mr. Lambert, you come back to the same basic question of how much of your force you want to keep in Europe.

Mr. LAMBERT: Well, what of the composition? I am looking forward to five years from now; I am not looking for tomorrow, because to me if there is anything that is viable in the mobile force, it is on the long-term basis. I think now is when the decisions have to be made as to its ultimate composition. I am looking at this particular area of it, and I think it is an area which is fruitful for discussion.

Mr. HELLYER: I agree with you, but first of all you must determine the size and then the composition, for those two are related. At the moment, we have adequate Starfighters to carry us through this 5-year period.

Mr. LAMBERT: Yes, but that is of very limited use, a very limited role.

Mr. HELLYER: Well, they are dual, actually involved in three roles, if you consider the—

Mr. LAMBERT: Yes, but they are highly specialized. I think you will agree with that.

Mr. HELLYER: Yes.

Mr. LAMBERT: And they are of little relation to the use of the brigade, and they have no relationship to the mobile force. This is what I am trying to get after: Should we go in for an over-all package of a mobile force, and if you do, I want to know what you are going to do with the CF-5's. I know that I am moving around in perhaps a wider ambit than Europe at the present time, but I think we have to look at this problem three to five years hence.

● (10.55 a.m.)

Mr. HELLYER: I agree with you. Of course, this question remains open; you have the option three or four years from now of following either of these courses.

Mr. LAMBERT: What I have been groping at is to find a reason for the use of the CF-5. I do not think you are going to use the CF-5 to blast your way into—I think this term has been used in the House—an area where Canada's mobile forces may be required.

Mr. HELLYER: But it has precisely the same potential use as the brigades in Canada. They will be deployed either in building blocks or as an integrated force, if required. So that the rationale for one is the rationale for the other.

Mr. LAMBERT: Well, I would like to know how serious you consider this possibility of the CF-5 being staged in Europe with our ground forces as part of the mobile force, rather than a sort of independent heavy brigade without air transport. I suppose there is a distantly connected role between them merely because of the fact that they are Canadian forces under air division. It would seem to me that there would be more sense in saying: All right, we are going to get out of the strike reconnaissance role as soon as we can.

Mr. HELLYER: What do you mean by "as soon as we can"?

Mr. LAMBERT: Politically is one, secondly—

Mr. HELLYER: I mean in years.

Mr. LAMBERT: I would say within five years. I think you are going to reach that knife-edged decision as to whether you can continue the air division as a viable force with sufficient aircraft. You cannot go into these things with a quarter, a third or even perhaps 50 per cent of your strength. It comes to the point where you have to say: We will have to disorganize this thing and put it to another use.

Mr. HELLYER: I do not agree with that because I think you will find, when you examine the fire power of these squadrons, that even two squadrons in the strike role are a pretty powerful outfit. Therefore, I do not accept your premise, but I do accept your suggestion that the possibility of having a change in the role in Europe is one which is worth discussing. But I do not think the decision

has to be made now because we are really committed, for the immediate time period, largely to carry on what we are doing.

Now, in two or three years we will have to make a decision because we will then be considering the composition of the forces in the 1970's.

Mr. LAMBERT: Well, Mr. Chairman, it is 11 o'clock. I think this is getting into the area of the mobile forces, and I would make the suggestion that we dedicate a meeting to the discussion of the mobile forces as a package area.

The CHAIRMAN: We still have a few things on our list to be done. I am afraid we are under orders of the clock. Mr. Brewin, who has been waiting patiently to get his questions in, will be—

Mr. BREWIN: I want to ask about the plans in North America, the future of NORAD, and what the Minister told us about the anti-missile missile. I want to examine these subjects a little bit because I think it is an important one.

The CHAIRMAN: Well, gentlemen, our next meeting is going to be on the morning of Thursday, May 26, at 9.30 and at that time I hope the associate minister will be here to deliver the statement which was asked for at the last meeting of the steering committee. At that time we will start off with questioning by Mr. Brewin. The meeting is now adjourned.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

THURSDAY, MAY 26, 1966

Respecting

Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Léo Cadieux, Associate Minister of National Defence; Mr. K. R. Scobie, Director General Civilian Personnel; Mr. C. A. Smith, Director Industrial Relations and Compensation.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
*Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
*Mr. Dubé,	(<i>Chicoutimi</i>),	*Mr. McNulty,
Mr. Éthier,	Mr. Langlois	*Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	*Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

* Messrs. Carter, Dubé, Lessard, McNulty and Rock replaced Messrs. Brown, Émard, Legault, Lind and Walker on May 25, 1966.

ORDERS OF REFERENCE

WEDNESDAY, May 25, 1966.

Ordered,—That the names of Messrs. Carter, Dubé, Lessard, McNulty and Rock be substituted for those of Messrs. Brown, Émard, Legault, Lind and Walker on the Standing Committee on National Defence.

THURSDAY, May 26, 1966.

Ordered,—That the quorum of the Standing Committee on National Defence be reduced from 13 to 9 members.

Ordered,—That the Standing Committee on National Defence be authorized to sit while the House is sitting.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, May 26, 1966.

(5)

The Standing Committee on National Defence met at 9.35 a.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Brewin, Carter, Deachman, Dubé, Fane, Foy, Groos, Harkness, Hopkins, Lambert, Langlois (*Chicoutimi*), Lessard, MacRae, McNulty, Rock, Winch (16).

Members also present: Messrs. Chatterton, Forrestall and McCleave.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Mr. K. R. Scobie, Director General Civilian Personnel, Mr. C. A. Smith, Director Industrial Relations and Compensation.

The Chairman read the *Third Report of the Subcommittee on Agenda and Procedure*, which is as follows:

SUBCOMMITTEE ON AGENDA AND PROCEDURE

TUESDAY, May 24, 1966.

THIRD REPORT

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 12.00 noon this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Foy, Groos, Hopkins, Lambert and Mr. Winch (5).

Your Subcommittee met to consider topics for future agenda and the order in which these subjects might be introduced during Committee meetings from now until the end of June. The members agreed to the following suggested timetable:

Date	Subject Matter
Thursday, May 26	—Statement pertaining to the Dockyards —Associate Minister —Continuation of general discussion concerning NATO—Minister
Friday, May 27	—A further briefing in relation to the one of May 5 (NATO and other capabilities)
Thursday, June 2	—NATO and the Air-Division
Friday, June 3	—Headquarters re-organization, and Integration of Armed Services.
Thursday, June 9	—Mobile Command—Mobile Force

Friday, June 10	—Training Command
Thursday, June 16	—Maritime Command
Friday, June 17	—Air Defence Command—NORAD
Thursday, June 23	—Materiel Command
Friday, June 24	—Transport Command
Thursday, June 30	} —Meetings to consider balance of detailed Items in the Estimates.
Friday, June 1	

This is suggested as a tentative schedule. If authority is granted to sit while the House is sitting, your Subcommittee would recommend that some of these meetings could be scheduled earlier. In this way, the Committee could make greater headway toward the goal of completing the work on Estimates by the end of June.

The Subcommittee meeting adjourned at 1.10 p.m.

Respectfully submitted,
DAVID W. GROOS,
Chairman.

The Chairman advised the members that the briefing which was tentatively scheduled for Friday, May 27th, has been postponed until a later date.

On motion of Mr. Deachman seconded by Mr. Lessard, the Third Report of the Subcommittee was approved as presented.

The Committee resumed consideration of the Main Estimates 1966-67 of the Department of National Defence. Under *Item 1. Departmental Administration etc.*, the Chairman introduced the Honourable Léo Cadieux. The Associate Minister delivered a statement describing the general situation with respect to wages and related benefits at the Halifax and Esquimalt Dockyards.

Members of the Committee and other members who were present questioned the Associate Minister and Messrs. Scobie and Smith concerning items of particular concern at this time. The discussion included references to procedures for wage rate determination in relation to particular Dockyard classifications and the measures which are being taken in preparation for the advent of collective bargaining.

At the close of the meeting it was agreed to hold a further meeting on this subject. The Minister of National Revenue and the Associate Minister of National Defence will attend a meeting of the Committee on Tuesday, May 31, 1966, to continue the discussion of labour conditions in the East and West Coast Dockyards.

The meeting was adjourned at 11.00 a.m.

HUGH R. STEWART
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, May 26, 1966.

● (9.35 a.m.)

The CHAIRMAN: Gentleman, we have a quorum.

I would like to begin by saying that we had the third meeting of our steering committee on agenda and procedure the day before yesterday and I would like to read into the record the decisions of that Committee because they have a bearing on our future progress.

Before I read this out may I say there have been subsequent minor changes because, to begin with, although we had planned following our meeting today to have a meeting tomorrow for a further briefing in relation to the briefing that we had on May the 5th, this time with the emphasis on the capabilities of the Forces on the side of NATO—and this meeting was to be held in camera—unfortunately the Minister himself cannot be here tomorrow because there is a graduation at R.M.C., and the team working on this briefing have been working on another project.

We hope to have the House pass our motion for a reduction in the quorum and also to give us permission to meet while the House is sitting. I think we will bring that up before the House today. Although this may require some rearrangement, the general format of our future meetings will be as I read it into the record now, on the recommendation of your sub-committee. (*See Minutes of Proceedings*).

I will have copies of this printed and sent around to every Member so that it will give them some idea of the sequence in which we are suggesting we hold these meetings.

I do not know if there are any questions. If not I would like to have a motion for concurrence in this report. It has been moved and seconded. Would the members agree to this report of the sub-committee.

Motion agreed to.

The CHAIRMAN: We will continue with the estimates. This morning we have with us the Associate Minister, who will be present during our consideration of Item number 1, departmental administration. He has a statement to make pertaining to H.M.C. Dockyards. If we have any time remaining after the questioning period we can continue with a general discussion concerning NATO; there may be additional questions that members have to put to the Minister. I would ask the Associate Minister if he would make a statement.

Hon. Leo CADIEUX (*Associate Minister of National Defence*): Mr. Chairman, Honourable Members of Committee. In view of the statements made in the House of Commons by Mr. Forrestall, Mr. McCleave, and Mr. Winch in respect

of the dockyards of Halifax and Esquimalt, I thought it would be useful if I gave this Committee a general statement which touches very briefly on the history of pay and some of the factors affecting the current situation.

Before I do that, the Committee members should know that since those statements were made in the House, officials of the Department of National Defence in consultation with officials of the Treasury Board, have been studying the various points raised in that discussion. The Members of the Committee will see, when I have reviewed briefly the history of the pay situation in the dockyards, that the problem is a complicated one and that solutions satisfactory to all concerned are likely to take some time to achieve. I expect however, that within the next few weeks it will be possible to at least deal with the important problems arising out of the reorganisation that has taken place both at Halifax and Esquimalt.

It has been the policy of successive Governments to establish rates for prevailing rate employees by reference to rates for comparative trades in the area of employment. This policy has recognized the need to take into account the impact of Government employment and wage policy on the wage structure of the area concerned, the need to be fair to the employee and the Government's responsibility to the taxpayer to conduct the public business efficiently and economically.

Members will be aware that significant changes associated with the introduction of a system of collective bargaining were mentioned in the report of the Preparatory Committee on collective bargaining. Legislation which is now before the House, if approved, would provide very different arrangements, than those which have prevailed in the past, for the determination of wages in the Public Service. Until such time as these changes are introduced I do not anticipate any fundamental changes in the policy of determining wages for prevailing rate employees.

In both dockyards the pay rate is related to pay rates in other shipyards.

In the Halifax dockyard, until 1956, the prevailing rate of pay was related to that paid by one yard, namely Halifax Shipyards Limited. In December 1956, the Treasury Board approved the so-called "starred rates". These rates represented a 5 cents premium above the rate paid by Halifax Shipyards Limited largely in recognition of one year's satisfactory service.

In November, 1961, the Government established new rates of pay for the dockyard ship repair classifications based on the rates paid by seven shipyards in Eastern Canada; these covered two shipyards in Montreal, two in Lauzon, and one each in Sorel, P.Q., Saint John, N.B., and Halifax, Nova Scotia. The 5 cents differential was maintained. The Government stated that the policy for determination of wages would be reviewed within the next eighteen months.

Stevenson and Kellogg, a firm of management consultants, was hired to do a trial evaluation of dockyard classifications and their report was rendered to the government and was studied by the Department of National Defence, Department of Labour and Treasury Board officials.

After discussion with individual unions which expressed some apprehension, a departmental program of job evaluation was started in 1963, which was to supplement a program of pay determination based on a comparison with rates of pay in the Halifax area. In short, where direct occupational comparisons

could be found in the Halifax area, these would form the base for rates in the Halifax dockyard, and where there could not be found in the Halifax area, corresponding trades or occupations, the rates of pay for these latter classes would be based upon internal relativity using a job evaluation plan.

● (9.45 a.m.)

Subsequent to publication of the findings and Recommendations of the Job Evaluation Committee, the Honourable Lucien Cardin, when he was Associate Minister of National Defence, met with the president and executive of the Halifax Dockyard Trades and Labour Council, in Ottawa, and agreed that the establishing of wage rates based on job evaluation would be subject to rejection by either party. The council on their return to Halifax voted unanimously to reject job evaluation and so informed dockyard management and the Associate Minister. As a result no further effort has been made to introduce the plan.

Whereas the job evaluation plan has not been introduced, rates of pay based on the "seven shipyard" formula have kept pace with increases granted in the private shipyards.

I must state at this time and it should be apparent to you that the prevailing rate employees at Halifax dockyard have received a great deal of attention to their petitions over the past several years and have enjoyed significant improvement in pay and working conditions. It should be noted that employees in the dockyard have received substantial pay increases since 1961. The rate of pay for labourers in the dockyard has increased by 41 cents an hour, from \$1.59 in 1961 to \$2.00 per hour at present. This represents an increase of 25.7% over the five year period.

I should also mention that dockyard employees enjoy a number of benefits that are equal or superior to those received by many employees in the private sector. These benefits include shift differential payments, overtime provisions, and call-back pay.

The members of the Committee may be interested to know that comparisons have been made between the Government's pension plan and those provided by some private employers. Although no direct comparison was made between the pension plan provided on behalf of the workers in the dockyard and those in private shipyards, results of the comparison I think would support the statement that the Government's pension plan for its prevailing rate workers is generally superior to those provided for similar groups in outside employment.

I have met personally with representatives of the Dockyard Trades and Labour Council to hear their requests and officials of the department have met with them in Halifax whenever the need arose. It is my view that these employees have been dealt with in a completely fair and equitable manner over the year, and we shall continue to do so.

Prevailing rates for ship repair classifications in the Esquimalt dockyard have, for many years, been based on wages paid by the two shipyards on Vancouver Island, namely Yarrows Limited and Victoria Machinery Depot, both of Victoria, B.C.

As I have said earlier, the department, in accordance with its undertaking with the unions, has abandoned the use of a job evaluation programme. In September, 1964, however, following consideration of the report of the Preparatory Committee on Collective Bargaining, the Government undertook, in preparation for collective bargaining, a complete revision of the classification and pay system for the entire Government service. Although I cannot speak for the Treasury Board and the Civil Service Commission, which is responsible, through its bureau of classification revision for this programme, it would not be surprising if some form of job evaluation would be employed.

In general terms, as I understand it, the present plan calls for the conversion of the occupational category, which includes the dockyard workers, to be completed by 31st December, 1966. The definitions of the groups within the category are to be completed and promulgated by October 1966, which will enable the staff associations and unions to know the composition and boundaries of the bargaining units.

I am unable to speak directly to any questions relating to consultation with the staff side on this subject, but I would refer you to the statement made in the House of Commons by the Honourable E. J. Benson which appears in the House of Commons debates, 14th of March, 1966 page 2652, and I quote:

"The major employee organizations in the public service have been consulted at every step in the development of this programme. I am informed that, as soon as its tentative plans for the operational category have been formulated, the bureau intends to consult as well with organizations whose interests are limited to specific occupational groups in this category. These organizations would include the dockyard trades and labour councils in both Halifax and Esquimalt."

A recent decision to integrate certain of the support services in Halifax, N.S., and Esquimalt, B.C., under the two new Canadian forces bases was introduced effective April 1, 1966, and has created a new problem in the prevailing rate structures in these two areas.

Specifically, motor transport and the construction and maintenance activity in Halifax dockyard have been merged with the maintenance, motor transport and garage activities formerly found in the old Eastern Army Command Headquarters, thereby bringing together under the Command of Canadian forces base Halifax two groups of employees in receipt of different wages, in that the army employees receive rates based on the Halifax area, whereas the dockyard employees receive ship repair rates which are derived from the seven shipyards formula.

In the case of Esquimalt, B.C., the construction and maintenance activity previously associated with Esquimalt dockyard and the same activity previously connected to the army will now be integrated under the new Canadian forces base Esquimalt bringing together employees engaged in the same type of employment but receiving different rates of pay due to the fact that employees previously coming under the jurisdiction of the dockyard receive ship repair rates whereas those employed by the army at work point barracks receive higher rates of pay based on the Victoria-Esquimalt area.

The Director General, civilian personnel, Mr. Scobie, and the Director, industrial relations and compensation, Mr. Smith, are available here this

morning to answer any questions that the Committee may wish to ask relating to the facts of the situation at the Dockyards. I would like to suggest, however, that if questions relating to the pay policy of the Government are asked that they might be reserved for a subsequent meeting of this Committee at which the acting Chairman of the Treasury Board, Mr. Benson, and the senior members of his staff will be available. I make this suggestion because the responsibility for the Government's pay policy rests with the Treasury Board. Thank you Mr. Chairman.

The CHAIRMAN: Thank you, Mr. Minister.

Do you have any available copies of your statement?

Mr. CADIEUX: I have the original if you want it.

Mr. CHAIRMAN: Well, gentlemen, we can proceed with the questioning.

Mr. CARTER: I notice that the Associate Minister said that the prevailing rates are based on the wage structure of the area concerned and are designed not to have too great an impact on that structure. How big an area is included in the basis of prevailing rates? In this case, are the prevailing rates based on the City of Halifax alone, on the average wage rate in Nova Scotia, or does it take in all three Maritime Provinces? I understand the prevailing rates are set by the Department of Labour. Is that correct?

Mr. CADIEUX: And the Treasury Board, yes.

Mr. CARTER: Well, how big an area do they select for their basis of prevailing rates?

Mr. CADIEUX: I would imagine that this is subject to change. I do not know exactly on what area particularly this was based in 1961, but it seems to me that in the development of the pay policy it is more likely that the area will be extended rather than reduced. Now, I do not know what this will comprise. Your question would be better directed, as I said, to those responsible for the pay determination, the Treasury Board people.

Mr. CARTER: The reason I asked that question Mr. Chairman, was because as I listened to the Minister I became a bit confused. I thought at one period he said that they were based on the prevailing rates at Halifax shipyards, a private concern, and the same thing in Victoria.

Mr. CADIEUX: That happened in 1956. That is what I said, and after 1956 the Government established—

Mr. CARTER: A prevailing rate.

Mr. CADIEUX: But then in 1961 another rate was made, you see.

Mr. CARTER: Thank you.

Mr. CADIEUX: I was trying to give a factual history of how this developed over the years.

Mr. CARTER: Thank you very much.

Mr. CADIEUX: This is something that is going on again with the reclassification now taking place. I cannot determine what will be the size of the area, but

it is my personal view that rather than restricting the area it might be expanded.

Mr. WINCH: Mr. Chairman, the first question I had in mind I think actually now will be supplementary to the one asked by Mr. Carter.

I would like to have a little more clarification on this matter of prevailing rates. As I understood the Minister to say, the prevailing rate in the dockyards is related to or has been related to rates in adjoining shipyards. Now if this is correct, it is the only department that I know that has a policy system of establishing a prevailing rate on an industry to industry or plant to plant bases. It has always been my understanding that a prevailing rate has to do with the prevailing rate in the local area, which is a trade union rate, established for the trade or the profession. Now I gather, as in the dockyards both in Halifax and Esquimalt, the money that is now being paid is not the equivalent of the trade or the union accepted contract rate, and that you have not actually been following the generally accepted principle of the meaning of prevailing rate. Now, have I made it clear exactly what I want?

Mr. CADIEUX: Yes, you do make it clear. Personally, I cannot agree with what you say, but perhaps one of the experts will answer your specific question.

Mr. CHAIRMAN: Mr. Scobie.

Mr. K. R. SCOBIE (*Director General, Civilian Personnel, Department of National Defence*): Thank you, Mr. Chairman I am not really an expert, but I think I can shed some light on the question that Mr. Winch has asked. Again, I do not purport to speak for the Treasury. The construction of the area of comparison is the concern of the Treasury. But, by and large, your statement is correct. Prevailing rate policy requires that the comparison be related to a number of industries or firms in an area. By and large this is the situation. However, with respect to the Halifax dockyard, it is my understanding when the dockyard workers in 1961 had their discussions with the department and the Treasury Board this area of comparison did not provide the kind of rate structure that was satisfactory all around; therefore, at that time, the Government of the day decided to change the area of comparison and to relate it to seven shipyards from Halifax right around to Montreal. It is my understanding that this change in the area of comparison actually provided rates for many of the occupations which were higher than the rates would have been had the normal practice of comparison been maintained.

● (10.00 a.m.)

Mr. CADIEUX: Now what about Mr. Winch's specific question on Esquimalt.

Mr. SCOBIE: For example, if I might just enlarge on that to help you, they are still on prevailing rates. Even if what you have said now is correct—perhaps I might comment on that some other time.

Mr. WINCH: At Esquimalt, where you have electricians who never go on board ship, can you tell me why on land you pay them the prevailing rate as though they were on board ship, which is a lower rate on the prevailing structure for those who never go on board ship? Now, if you follow the principle you have outlined, then why that situation in Esquimalt?

Mr. SCOBIE: Well, that is a very good question. It is a little difficult to answer because the comparison of rates in a class such as electricians between the area and the dockyard, in the case of Esquimalt, differs from the same relationship that would exist at Halifax. Now the only line of principle that has been adopted in the later years has been to pay the workers who worked under the dockyard superintendent, as he was known until April the 1st, 1966, and who was in charge of the dockyard operations, to treat that as a homogeneous unit, and to try to pay workers relative one to another who worked under the same command; of course, the area of comparison that was decided upon was the comparison to the shipyards. Now down on the East coast in Halifax this form of comparison actually produces a better harmony between the rates, and I think the Halifax dockyards Trades and Labour Council would agree to this, than would be obtained in trying to use two universes for purposes of comparison. On the west coast, however, because the rates of pay in the area itself are higher than the rates of pay that emerge in the shipyards, you get the unfortunate situation that you have described.

Mr. WINCH: There is quite a difference.

Mr. SCOBIE: Yes, I think, if memory serves me correctly, it can range from anywhere from 30 cents to perhaps 50 cents an hour.

Mr. WINCH: As I say, that is a fantastic difference. I will not pursue that at the moment. I just have one other question I want to ask.

I was interested in the Minister's remarks of a study made by the firm of Stevenson and Kellogg. When this Committee visited the Halifax dockyard last year I was informed by one of the management on this very matter, and he informed me that Stevenson and Kellogg, in their study, were denied by several of the local shipyards, information which they required in order to be able to make the proper evaluation. I understand they were denied by the private companies the full information they required. Can you give us any information on that and what bearing it might have had on the type of report which you received from Stevenson and Kellogg.

Mr. SCOBIE: I will do my best to answer that question, although I was not in the department at the time. From my readings of the information pertaining to that subject I assume that it is the prerogative of private shipyards to allow a management consultant to enter its premises and for reasons best known to the private employer Stevenson and Kellogg were denied access to the information they sought.

Mr. WINCH: What weight could the department give to a report received from Stevenson and Kellogg on the basis of not getting the information in order to reach the objective for which the department was paying this business administration firm?

Mr. SCOBIE: Well, following the report that was produced by Stevenson and Kellogg, which admittedly did not contain the type of information we had hoped for originally, the department on its own accord and in conjunction with the Treasury Board staff worked out a job evaluation plan of its own for the Halifax dockyard itself; and it was this job evaluation plan which was subsequently discussed with the dockyard Trades and Labour Council and, as the Minister said, was rejected by the unions.

Mr. WINCH: Mr. Chairman, I will hold my other questions until later. It is not quite fair for me to proceed right through.

The CHAIRMAN: I have no other questioners, but we have with us today two members from Halifax who I know are interested in this problem and have indicated a wish to ask questions. I wonder if the floor would turn over the questioning to them. Perhaps, I might ask a brief question myself. It may be that I will have to speak with Mr. Benson. But, Mr. Scobie, it has always been puzzling to me why it is that when the pay rates are established, as they are between the dockyard and the prevailing rates outside, and when the unions outside have been given an automatic increase fixed to certain periods of time, approval having been given for the shipyard rates to match those, it is necessary to go back and get approval every time there is an automatic increase outside. Do I make myself clear? It seems to me there is a great delay and it would seem to me that it requires some explanation.

Mr. SCOBIE: I think I can shed some light on that, particularly in the Halifax area where there are seven shipyards involved. As I understand it, the pay rates in the private shipyards are not all adjusted contemporaneously; it may occur at different points in time, although there may be a point in time at which perhaps the majority of the rates change. As a result thereof the Department of Labour, which is the department charged with the responsibility of collecting the rate information, tends to wait until all changes have been made in order that it gets a more representative picture of the actual rates that are being paid in the shipyards, on a current basis. But it is not an automatic adjustment following the adjustment in the shipyards; it is an adjustment that is required to be reported upon by the Department of Labour, examined and authorized by the Treasury Board. It has to occur on every occasion when the rates change in the shipyard.

Mr. WINCH: Mr. Chairman, I know the two members from Halifax have a number of questions but could I now ask a third question to complete my line of questioning.

Mr. CHAIRMAN: I see no objection to that.

Mr. WINCH: Mr. Cadieux, have you any comment to make on the situation which came to our attention from Esquimalt, that there are occasions when there is a requirement for additional tradesmen and when they come in they are paid at the true prevailing rate—that is, the trade union rate in Victoria; and when they are brought in at this true prevailing rate those who are on the permanent staff as tradesmen inside the dockyard are doing the supervising of the men that are brought in but are paid a far lower rate than the men they are supervising.

Mr. CADIEUX: Well I do not know. This is part of the slow process of adjustment. It is a slow process to collect the data on which to base the rates in order to adjust them. I understand it will take about 18 months.

Mr. DEACHMAN: If I may ask a supplementary question, is it not correct that the men who are on supervisory work are now on prevailing rates? They are on the civil service pay scale and not on prevailing rates. Is that not so?

Mr. WINCH: Not if they are a tradesman.

Mr. CADIEUX: Not the tradesmen.

Mr. DEACHMAN: Is your question not about the difference between the supervisory staff, who are on civil service rates and—

Mr. WINCH: No; it is like the electrician, and the electricians are on the job. Extra men are brought in for special work that has to be done at the dockyard. The men who are looking after them are the regular employees and because they know the work that has to be done, they are actually supervisors, but they are paid less.

Mr. CADIEUX: I think Mr. Scobie would have some comments on that.

Mr. SCOBIE: Following your speech, Mr. Winch, in the House of Commons, we paid particular attention to this aspect of it, and except for one actual incident that occurred, I think five years ago, we were unable to unearth any evidence that supervisors were actually getting less than those supervised in a true supervisory-worker relationship.

We might be able to do a little more research and provide a better answer to the question if we have something a little more specific.

Mr. WINCH: I have a file from the employees of the dockyard on that.

Mr. HARKNESS: I have one or two questions with regard to this.

At the present time the people at the Esquimalt dockyard, as I understand it, are receiving the same rate of pay as the people at the Victoria Machinery Company and at Yarrows. Is that correct?

Mr. CADIEUX: Yes.

Mr. HARKNESS: The rate of pay at the Burrard drydock is not taken into consideration when deciding what the rate should be.

Mr. SCOBIE: I think that is correct. I am not as familiar, perhaps, as some others about the area of the outside comparison but I think the statement you made is correct.

Mr. HARKNESS: What proportion of the total employees are not in the position of coming under the present base organization; in other words, those that are on the rates of pay which previously prevailed in the army establishment that exists today.

Mr. SCOBIE: I do not have that information readily available, but perhaps if an opportunity was given to us we could provide a specific answer of precise numbers.

Mr. CADIEUX: Could we ask Mr. Smith to provide this particular kind of information?

Mr. HARKNESS: I do not want to know precisely. Is it 25 per cent, fifty per cent, or what general proportion?

The CHAIRMAN: It looks as though Mr. Smith has the figures.

Mr. SCOBIE: A rough calculation would suggest about 15 per cent.

Mr. HARKNESS: Then 15 per cent of the total employees are on a higher rate of pay than the other 85 per cent because they came from this different pay set-up?

Mr. CADIEUX: Yes.

Mr. HARKNESS: What is the comparable figure at Halifax?

Mr. SCOBIE: The proportions must be roughly the same. Mr. Smith has just pointed out it is actually less than 15 percent, Mr. Harkness.

● (10.15 a.m.)

Mr. HARKNESS: Is my understanding correct that a good deal of the discontent that exists, both at Esquimalt and at Halifax, is due to the fact that a portion, say 15 per cent, of the employees are on a different rate of pay than the remainder, and that this is one of the causes of the trouble?

Mr. CADIEUX: There is that. There is also the fact that, for instance, in Halifax a driver is paid, according to the shipyards formula, \$2.05 and by the same department a driver is paid at the prevailing rate of \$1.85. We are in contradiction there but this is a situation we hope would be solved by the reclassification that is going on.

Mr. HARKNESS: You have the situation in Esquimalt where 15 per cent of the people are getting higher rates of pay than the remainder. At Halifax you are in a situation where 15 per cent of the employees are getting lower rates of pay than the remainder. This, of course, is an anomalous situation to begin with but in either case it is bound to cause discontent.

Mr. CADIEUX: I agree.

Mr. HARKNESS: This, as I understand it, is one of the basic causes of discontent apart from other things. I think some of these other gentlemen will go into those to a greater extent.

Mr. DEACHMAN: Mr. Chairman, I think what I have to say is supplementary to what has just been said by Mr. Harkness. Do I understand from what the Minister said earlier in his remarks that the reclassifications of October 1 will bring these anomalies to an end?

Mr. CADIEUX: That is what we hope.

Mr. DEACHMAN: So we are months away from a solution which will rectify the discrepancies which now exist. Is that right?

Mr. CADIEUX: You are months away from this date of October 1, at which time the particular areas on which collective bargaining can be based will be established. I would expect these comparisons would be made at that time and the objective would be to bring in solutions which would put everybody on the same scale of pay. That is what I understand. But, again, in this particular instance I realize the department here have to administer according to some rules that are established by other people; that is why I suggested at the end of my remarks that any deep questioning on the policy itself should be directed to the Treasury Board officials or Mr. Benson—and I think they would be very glad to come before the Committee.

The CHAIRMAN: Gentlemen, if the members of the Committee have no further questions to ask for the moment, perhaps we could call upon—

Mr. CHATTERTON: If I may interrupt, Mr. Chairman, I thought you had recognized me. I put up my hand.

The CHAIRMAN: Before you came in, Mr. Chatterton, we established that the rules of the Committee are that such persons as yourself, Mr. Forrestall and Mr. McCleave, who are not members of the Committee, will start their questioning now. Would you like to kick off, Mr. McCleave?

Mr. McCLEAVE: Thank you very much, Mr. Chairman. I think I speak for the three of us, Mr. Chatterton, Mr. Forrestall and myself, when I thank you and the members of the Committee for the courtesy you have extended to us. I must say this allowance for non Committee members to take part in Committee hearings is an excellent innovation, and I commend whoever thought it up during my years in exile.

May I ask Mr. Cadieux if it is the intention to have the collective bargaining teams working out of the Treasury Board offices or will some of these teams be in the Department of National Defence itself?

Mr. SCOBIE: The intention, as the Minister indicated—he referred to the speech in the House of Commons by the acting Chairman of the Treasury Board, Mr. Benson—is that the bureau of classification revision, which is an organ of the Civil Service Commission at the moment, intends to consult with the two dockyard counsels prior to the introduction on October 1 of the new classification system.

Mr. McCLEAVE: This is a team then not from the Department of National Defence but from the Treasury Board?

Mr. SCOBIE: The Civil Service Commission.

Mr. McCLEAVE: Or the Civil Service Commission?

Mr. SCOBIE: Yes.

Mr. McCLEAVE: Will the Department of National Defence, yourself and other officials be able to make recommendations to the collective bargaining teams?

Mr. SCOBIE: In the process that is now under way, the department participate in the action that is now going on by providing statements to the bureau of classification revisions with respect to jobs and the job content, and in the day to day relationships there is discussion between the department and the officials of the bureau of classification revisions so that any views that the department would have would be made known to the Civil Service Commission.

Mr. CHATTERTON: I have a supplementary question, Mr. Chairman. In the case of the prevailing rate employees, under the new classifications who would make the surveys to compare the wages with going wages in the area? Would it still be the Department of Labour?

Mr. SCOBIE: As I understand it, yes.

Mr. CHATTERTON: So the inequities that exist will, by some miracle, now be removed when the same department is carrying out the survey?

Mr. SCOBIE: I do not know. There are a number of unknown factors at the present moment, one of them being the determination of the bargaining unit, and also the area of comparison that will be used as a basis of reference for the determination of rates. I do not know whether this answers your question

satisfactorily but, at least, these are the facts at the moment and there are unknowns.

Mr. CHATTERTON: May I continue my supplementary. Take, for instance, the maintenance electricians in the dockyard and the ship electricians. They are on different wage scales or, to put it this way, they are on the same wage scale in spite of the fact that the maintenance electricians do entirely different work but yet they put the two on the same basis and the Department of Labour uses the same basis of comparison in setting the wage scale instead of comparing the maintenance electricians with electricians who do the same work outside, say, in British Columbia Hydro. They do not do that; they compare the wages of the maintenance electricians with the wages of the ship electricians and they do entirely different work. Will this type of thing be eliminated in future?

Mr. SCOBIE: As the Minister says, we will expect so. Even at the present time the situation that you have described is a source of some concern, naturally, to the department and the Treasury Board because it gives rise to the questions that are now being asked and, more particularly, because it creates an uneasiness on the part of the workers. I must admit it is very difficult to explain the present system whereby two rates are derived from two different areas of comparison.

Mr. WINCH: Especially to me because I am an electrician and I know the difference. They are two entirely different trades.

Mr. McCLEAVE: Mr. Chairman, I am very interested in how much say the Department of National Defence itself will have in the formulation of policies regarding pay to these employees we are talking about? Perhaps this question should be directed to the Minister. Will the department be able to tackle the unique problems, for example, it is facing at the two dockyards and make recommendations to the Civil Service collective bargaining teams or is this going to be left up to some overall formulation which may leave the department still with pretty nasty problems?

Mr. CADIEUX: I guess our co-operation in that particular field would be in the definition of our trades and provision of the proper information for comparison to the people charged with the responsibility of establishing the pay policy. I do not think that we will have much responsibility beyond that. It is not expected of us and I do not think we can do more than supply the accurate information and also the regrouping, if you want, of our own trades which we are trying to do as competently and as honestly as possible. I would suspect that the employees' representatives will have a say themselves in that because they are consulted all along by the Civil Service Classification Commission.

Mr. McCLEAVE: Will they be able to present their own views as to the type of formula they would like to be considered by?

Mr. CADIEUX: I understand they have that opportunity and they will have that opportunity.

Mr. McCLEAVE: The reason I am following this line, Mr. Chairman, is that I suggested the other day in that debate the problems that we face at Esquimalt

and Halifax may not be solved before the end of June and these workers are very restive, but if there were some indication to them that a new look and new policies would be applied then this might very well satisfy them and stave off any drastic action by them.

Mr. CADIEUX: I indicated in my statement that I would be ready to meet with these people again in order to define the areas of particular discontent that they would have. We are willing to co-operate to a full extent with them within the limits of our own responsibilities, as you understand. We are not determining the rates but we could certainly provide the opportunity, as we did in the past, to hear their grievances. You know, the last time they came here something came out of it and I think we could be ready to do the same thing again.

Mr. McCLEAVE: This could be done before the end of June.

Mr. CADIEUX: Yes. It could be done in a matter of weeks. We could also very well do the same thing as we did the last time. Their representatives came to Ottawa; I met with them and after that we agreed that we would form a departmental committee which would go down to Halifax and investigate the complaints. I think, as an interim solution, this was very successful. I am sure we would do the same thing again any time.

Mr. FORRESTALL: Mr. Chairman, I wish to thank you for the opportunity of coming and taking part in the Committee hearings this morning. I do not want to change the emphasis but, perhaps, get into one or two specific areas that are of some concern, at least on the east coast—I am not sure about the west coast. I would ask the Minister or Mr. Scobie if they could explain to the Members of the Committee and to myself, because I am somewhat confused about it, the essential difference between job classification and job evaluation?

Mr. SCOBIE: Job classification is a system whereby various jobs which have similarity with respect to duties, responsibilities and qualifications are placed in one category or another depending on the likenesses and differences. Job evaluation is a scheme whereby values are attached to jobs or to classes for the purpose of really ranking the jobs or the classes in order and later on monetary values may be affixed to these mathematical values which would result in pay scales for classes which were relevant one to the other based on the factors that go into the classification, such as complexity, supervision, and so on.

Mr. FORRESTALL: In other words, job evaluation and job classification in one sense might be construed as simply another name for a systematic pricing or costing of your labour value in determining any projections that you might have for the future?

Mr. SCOBIE: It is a system.

Mr. FORRESTALL: But there is a similarity in the two, in the end principle that might be sought through job evaluation and job classification?

Mr. SCOBIE: That is correct. If I might elaborate just for a moment, before a job evaluation can take place, it is imperative that you introduce some order and system into the classification so you have all workers or all jobs where duties, responsibilities and qualifications are similar in the one category. Then, as you build up your categories, you can place a value on them later on and be

sure that the value you place on the category will pertain to all workers doing like work or assuming like responsibilities. The two go hand in hand.

Mr. FORRESTALL: One does not work without the other? One follows the other; one is a prerequisite to the other. What does this do to your job classification program at dockyards in this present context now that job evaluation, for an interim period in any event, has been suspended?

Mr. SCOBIE: This is preparatory through the introduction of the regime of collective bargaining. In the meantime, the same policies and procedures which have been in effect in the past will continue, as I understand it.

Mr. FORRESTALL: Just as a matter for clarification, is the dockyards Trades and Labour Council, which represents the several crafts, unions and guilds which go to make up the structure of the yard, the official bargaining agent for those employees per se, as they are gathered there in the context of the yard?

Mr. SCOBIE: At the present time, without a system of collective bargaining, we could hardly say that they are a bargaining agent. Under the present system, I think it is probably more appropriate to use the expression "consultation"; this expression is used in the Civil Service Act and it applies to the classified service. I think it would be more appropriate to say that both the department and the Treasury Board regard the Halifax dockyard Trades and Labour Council as the representatives of the workers for purposes of consultation.

Mr. FORRESTALL: To move away from that just briefly—and I do not ask this question facetiously because it is a very serious one—is the Deputy Minister fully aware of the seriousness of the situation at dockyards, the declared intentions of, I understand, close to 5,000 employees, not necessarily at the dockyard alone but at its supporting facilities at the armament depot, the naval magazine and so on throughout the area. I was wondering if the Minister would comment on that perhaps as a proposition. It is not really a question.

Mr. CADIEUX: I noted after the speeches that were made the other night in the House that the situation seems to be serious. I thought last year, after the interviews that we have had and the understanding that was produced after that, that the people were satisfied with the interim solution that we had found. This is why I informed you and Mr. McCleave, after the debate in the House the other day, that I, and the Deputy Minister, would go into this problem right away with the officials of the Treasury Board, which we did. Discussions were started with them early this week and this is why I am coming out today with the proposition that we might repeat the same procedure we had last year, hear these people and try to define exactly what the problem is. We understood that the process that was going on, actually with a view to arriving at collective bargaining, would permit us to wait until that date of October 1 arrived, at which time most of these particular problems we expect would be solved; but in the meantime, there are particular problems that we could deal with, on an interim basis, the understanding is that we could meet with the representative of labour and discuss that at least.

Mr. FORRESTALL: The particular problem is money. They want parity with the west coast and I am sure that apart from getting into 75 or 80 specifics that might be dealt with on an interim basis I simply suggest that is the problem. I

is not really a complicated one. I appreciate your statement and the immediacy of your reaction to the speeches the other evening. I am sure the dockyard workers in Halifax do too. I just wanted that in the Committee record, so to speak, so that these men will not have to rely entirely on newspaper accounts for their information or our capacity to relate to them what exactly what it was that you said.

There are one or two other questions, Mr. Chairman, that I could put, the answers to which perhaps might be useful to these men and it would also help us to better understand their position in this interim period they are going through. Perhaps I should direct my first question again to the Minister. October 1 now appears to be the deadline; I wonder if this is a realistic point in time. If collective bargaining legislation is passed, is it likely that effective bargaining can take place this fall?

Mr. CADIEUX: This is what I expect but that is the most I can say. There are so many external factors involved.

Mr. FORRESTALL: Taking the hypothetical situation then, Mr. Minister, that collective bargaining does meet with the approval of the House, does become implemented and all the prerequisites for getting on with it are met and satisfied, would it be possible for either the Trades and Labour Council, the individual unions or whoever might happen to do the bargaining for these men, to sit down across the table and hammer out the substance of their demands for wage parity.

Mr. CADIEUX: You have set out the ideal conditions. If the bill is introduced in the House, passed and so on, of course, I would say yes.

Mr. FORRESTALL: Mr. Minister, I do not want to ask you whether or not you think this is possible because this is what you are indicating. However, I agree with you I think it will be amazing if it is possible this fall; on the contrary I think it will probably be 12 to 18 months before effective routine bargaining can become effective at this, one of the last levels, in one sense, that will be dealt with.

Mr. CADIEUX: I am not informed of the progress that is being made in the reclassification, first of all, and how long it would take for the negotiations to take place and so on. It is very hard for me to say. I can only guess, but I would expect that the deadline that they have set themselves, October 1, is an effective deadline; that is what they want to arrive at.

Mr. FORRESTALL: There are just one or two more questions. I was wondering, Mr. Chairman, if the Minister or the government have ever considered and if so, what their present reaction might be to the question of full civil service status for prevailing rate employees in the context of the Department of National Defence because of the nature of their role in our defence structure?

Mr. CADIEUX: I would relate that question to a question of policy. I said at the outset that we, as a department, are not the ones who deal with policy actually; it has to be determined by Treasury Board.

Mr. FORRESTALL: I tried to bring it back into the context of the Department of National Defence because of the very nature of the seriousness of the situation. For example, if these people were to walk out and tried to strike what would happen to our defence structure?

Mr. CADIEUX: I would say that would be very bad, but I come back again to the position that the determination of policy is not our responsibility. I am not saying that to evade the issue. It is just a simple fact. We have the full co-operation of Mr. Benson, the Minister of National Revenue, who is willing and will be very glad to come before the Committee and explain whatever he can explain pertaining to the actual policy they are trying to set.

Mr. FORRESTALL: Approximately how many employees are we talking about? Is my estimate of 5,000 accurate?

Mr. SCOBIE: I think it is a little high. I think it is more in the neighbourhood of about 3,200.

Mr. FORRESTALL: Were these directly at the dockyard and the other 800 spread around between Shearwater, the armament depot, the magazine, the army and the air force?

Mr. SCOBIE: I really do not know how to answer the question. Your statement alluded to a figure of 5,000 employees.

Mr. FORRESTALL: I am not certain and that is why I am asking.

Mr. SCOBIE: My understanding is that at the dockyard proper, where the problems are originating, it would encompass some 3,200 employees.

Mr. FORRESTALL: How many civilian employees might there be at Shearwater?

Mr. SCOBIE: Mr. Smith says from his memory it might be in the neighbourhood of from 400 to 500.

Mr. FORRESTALL: We are now up to 3,600 to 3,700. Would the armament depot be included in the context of the dockyard?

Mr. SCOBIE: Not the ship repair work, no.

Mr. FORRESTALL: Then we would add another 300 or 400?

Mr. SCOBIE: I do not know what figure it is you are trying to arrive at.

Mr. FORRESTALL: Mr. Chairman, I am trying to arrive at the total number of people who are affected. The point I am driving at, of course, is simply the seriousness of the situation and the total capacity of these employees, loyal as they are and have been for many many years, to concert or to tie up our defence structure in western Canada, and to tie up, certainly, our Canadian navy and our army structure on the east coast.

Mr. SCOBIE: As I understand it, the figure you are striving to determine is the number of employees in National Defence who might affect the productive capacity of the department in Halifax or in the Nova Scotia area.

Mr. FORRESTALL: The Halifax area, I think, covers Nova Scotia. The Halifax area, I think, covers largely eastern Canada with the exception of Greenwood and Summerside.

● (10.45 a.m.)

Mr. SCOBIE: I think probably your figure of 5,000 is not too bad in that context.

Mr. FORRESTALL: With regard to integration of services, as it has come down to the civilian employees level, I understand, for example, the motor

transport pool, is based either at dockyard or at R.E.M.E., and this is now the functional headquarters of the motor transport pool. It is an integrated operation. I know this has taken place and I wonder just how fully this has come about in recent times. Are there other key areas where the failure of performance of duty might have a serious effect? For example, it would in motor transport; as I say, the navy would no longer be on wheels.

Mr. SCOBIE: I think it could be said the two main areas where this is likely to occur and where it would have the more serious effect, of course, are the two dockyards, Esquimalt and Halifax, and it would relate particularly to the area of the dockyard concerned with maintenance other than ship repair.

Mr. FORRESTALL: Thank you, Mr. Chairman. That is all for now.

Mr. CHATTERTON: May I start as time is getting short?

The CHAIRMAN: Yes. We have to be out of here in about ten minutes, maybe a little longer.

Mr. CHATTERTON: I was, unfortunately, not available when the debate took place in the House, the grievance after the supply motion, but I want to impress on the Minister with all the sincerity at my command that there is grave general dissatisfaction in the dockyard at Esquimalt. This is not new; it has been going on for some time. I want to make this statement for the record. In the latter part of last year there was considerable publicity in the Victoria papers particularly by virtue of my statements that there was something wrong at the dockyard, that there was grave dissatisfaction judging by the number of complaints that I have had. At the same time, there was also publicity about accusations of wrong doing, of graft. I never associated myself with any such statements. I want to make this very clear. I have no information of such wrong doings going on and my only accusation was with regard to mismanagement and dissatisfaction amongst the employees.

Mr. CADIEUX: Would you allow me to make a remark here? I am aware of the accusation of graft that was made and I hope that you are aware also of the repeated full investigations that were made after a particular gentleman, who had been laid off from the Esquimalt dockyard, made these accusations. Apparently, he was interviewed by many members of parliament; there were at least seven members of parliament who received his accusations, and in each individual case we had an independent investigation made, and his accusations were never substantiated. Therefore, I am very glad to have your statement and I want to concur in saying that, for my part, we have ascertained there was never any question of graft.

Mr. CHATTERTON: Mind you, Mr. Minister, since you have raised this question of this accusation, I think where your inquiry fell short was that the inquirer did not actually contact this man. Certainly the investigation, in the minds of the public, appeared suspect because this man himself, who made the accusation, was not interviewed by your investigator.

Mr. CADIEUX: This is what he says but this is not what we say.

Mr. CHATTERTON: I see. I beg your pardon. It is what he said; I am sorry.

To just demonstrate the general dissatisfaction that exists, late last year I met the supervisors of all the trades of the dockyard, every one of them. We

met in my house for about two hours and every one of them said the same thing: there was grave dissatisfaction, firstly because of inequities in pay and classifications but also with regard to administration. The increasing amount of red tape, and so on, was a common complaint amongst the people themselves, the civilian employees. So this does exist and, if anything, it has been aggravated. October 1 appears to be a magic date. I am very skeptical whether these problems are going to be solved when the people involved have not been listened to. I have mentioned the electricians and I can mention the CNAV wireless operators: I can mention the differential between the supervisors and the men whom they are supervising—there is practically no differential. Many other groups have not been listened to. All the complaints I investigated certainly appeared to me to be very reasonable. If I could raise a specific matter, just yesterday I got a telegram with regard to a Treasury Board minute which approved an increase to the basic construction and engineering organizations but it does not apply to the dockyard; it applies to the Work Point Barracks and it applies to Camp Nanaimo. This is supposed to be an integrated operation as of April 1 this year. But yet the Treasury Board minute of April 28 grants the others a pay raise but not in the dockyard itself. This happened only a few days ago.

Mr. CADIEUX: I wonder if I could point out, Mr. Chatterton, that the effective date of that change is October, 1965, and it results from the normal surveys conducted by the Department of Labour, periodically. Of course, it was effective in October, 1965, which is prior to the date of which the integration went into effect.

Mr. CHATTERTON: It does not help the people in the dockyard very much.

Mr. CADIEUX: This is the problem we are looking into right now.

Mr. WINCH: I also got the same telegram. I wrote immediately to the Minister and I am anxiously awaiting a reply.

Mr. CHATTERTON: Mr. Chairman, may I just conclude, in view of the shortness of time. I have much more I could say but I think the important point is that these organizations, should be listened to. I found them, generally speaking, very reasonable and realistic. They know the situation on the ground but somehow it does not get through. If the blockage can somehow be removed I think these people will be satisfied. They are not unreasonable and in most cases their complaints are reasonable and well founded. I studied this chart of the categories, the groups and so on, and I think it is going to be extremely difficult to put these people in their proper slots by October 1 and to put those that are doing the same work on the same basis of pay. I take your word, Mr. Minister, that this is going to be the date, but I still think the important thing is that these employees' complaints should be listened to. They are not talking idly.

Mr. CADIEUX: I concur with you but when you speak of the difficulty, in our particular case I think we have tried to reduce the number of our particular trades, which was over 300. We are down now to 110, which is still a very considerable number. It is a difficult problem. But as I said in my earlier remarks at the outset, we are not determining the policy and this is the difficulty. So as far as we are concerned, the department will assist with specific

grievances and specific cases. But certainly the department accepts the fact that these people are reasonable people and they have legitimate complaints. The only thing is for us to try and find a solution through the channels that we have available. It is expected that they would be consulted in the process of the reclassification that is going on. But this, of course, again is the responsibility of the Civil Service Commission. As you say, you hope that this target date of October 1 is realistic. We also hope it is.

Mr. WINCH: Mr. Chairman, may I ask if it is at all possible that a transcript of today's meeting be obtained quickly so that we can get copies to send to Esquimalt and Halifax. I know we will need a number of copies. They can then read exactly the questions put and the answers that we received.

The CHAIRMAN: Yes, we will do what we can. We still have another five minutes. I do not want anyone to feel he has been cut off so far as questioning is concerned.

Mr. McCLEAVE: My question relates to the prevailing rates formula and the fact that there are differentials between dockyard and Shearwater. Yet, for practical purposes, they are all in the same area. I wonder why this should be and whether it can be corrected?

Mr. CADIEUX: I think it is easier to explain why it is. How it can be corrected is a matter to which Mr. Scobie can speak. We have talked about it; we have an idea—some kind of a project by which we could adjust these rates. I hope we can carry it through. May I ask Mr. Scobie to be more specific? I suppose you refer specifically to the case of the drivers?

Mr. McCLEAVE: Yes, motor transport.

Mr. CADIEUX: That is a good example.

Mr. SCOBIE: The problem occurs because, as I said before, up until April 1, 1966, at least, it seemed to make good sense to regard the drivers as being a part of the dockyard complex. This meant that the rates for the drivers would be based on rates that were obtained on comparison to the seven shipyards. This was also necessary because the driver rate, which was obtained as a result of surveys by the Department of Labour throughout the area, would produce rates for drivers which were less than rates for labourers resulting from a comparison with the seven shipyards. It did not seem to make sense either to the trade unions or to ourselves that the drivers who, in many cases, acted in a supervisory capacity should receive less than those whom they supervised. Therefore, in order to overcome this anomalous situation, we agreed that the rates for the drivers be set in excess of the rate for labourers in the dockyard. This rate, as I said before, was based on a comparison with the seven shipyards. This made a great deal of sense in the dockyard itself, where this comparison between the labourer and the driver was made. When you move over to Shearwater, the rate there were determined by the wages of the Halifax area. The rates for labourers were considerably lower than the rate for a labourer in the dockyards, using your seven shipyards formula. Although it seemed to make a great deal of sense and proved satisfactory to the unions last September and October, it is now a source of concern to all of us because the new organizational lines embrace different segments so that you show together now workers

in the one organizational unit whose rates of pay are different because they are derived from different comparisons.

Mr. CHATTERTON: I have a supplementary. May I ask why do you have a distinction between drivers light and drivers heavy, in some cases, and not in others?

Mr. SCOBIE: As I understand it, that is a classification which reflects the complexity of the work and they are really two different categories.

Mr. HARKNESS: I suppose one is a truck driver and one is a car driver, is that it? They both require the same licence.

Mr. C. A. SMITH (*Director, Industrial Relations and Compensation, Department of National Defence*): It is governed primarily by the equipment which is used in the unit. Normally speaking, a driver heavy would drive equipment something in excess of a 40 passenger bus whereas a driver with no effects to it would be a staff car driver, a light pick up truck driver and things of this sort. While you find that there are drivers heavy in some areas and not in others, it depends on the equipment in use in those areas.

Mr. CHATTERTON: They both require the same provincial licence. At least, in British Columbia they do.

Mr. SMITH: I believe that is right.

The CHAIRMAN: Gentlemen, it is now eleven o'clock. I am afraid we must vacate this committee room. With your agreement, we will adjourn until Thursday, June 2. Thank you.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

TUESDAY, MAY 31, 1966

Respecting

Main Estimates 1966-67 of the
Department of National Defence

WITNESS:

The Hon. E. J. Benson, Minister of National Revenue.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

and

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—24).

Hugh R. Stewart,
Clerk of the Committee.

CORRIGENDUM

Issue No. 3—Tuesday, May 17, 1966

Evidence:

Page 43:

Delete the word "straight" on line 35 and substitute the word "strike" therefor.

Delete the word "straight" on the last line and substitute the word "strike" therefor.

Page 54:

Delete the word "letters" on line 10 and substitute the word "matters" therefor.

MINUTES OF PROCEEDINGS

TUESDAY, May 31, 1966.

(6)

The Standing Committee on National Defence met at 9.35 a.m. this day with the Chairman, Mr. David W. Groos, presiding.

Members present: Messrs. Brewin, Carter, Deachman, Dubé, Éthier, Fane, Groos, Harkness, Hopkins, Langlois (*Chicoutimi*), Lessard, MacLean (*Queens*), MacRae, McNulty, Rock, Smith, Stefanson and Winch (18).

Members also present: Mr. Forrestall and Mr. McCleave.

In attendance: The Hon. E. J. Benson, Minister of National Revenue; Dr. George F. Davidson, Secretary of the Treasury Board; Mr. J. D. Love, Assistant Secretary (*Personnel*) of the Treasury Board.

Mr. Brewin drew attention to three errors in Issue No. 3 of the Minutes of Proceedings and Evidence. The Committee agreed to the three corrections.

The Chairman explained that Hon. Léo Cadieux was absent due to illness and he announced that the next meeting will be an *in camera* briefing on Thursday morning, June 2nd.

The Chairman introduced Hon. E. J. Benson who made a statement on Government Pay Policy. Following the opening statement, members of the Committee and Messrs. Forrestall and McCleave directed questions to the Minister concerning both present and future pay policy with respect to particular trade classifications in the Defence Department. There was considerable discussion concerning the policies and procedures which are envisaged as a result of the proposed collective bargaining legislation.

The Chairman thanked the Minister and the officials. The meeting was adjourned at 11.00 a.m. until Thursday, June 2, 1966.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

TUESDAY, May 31, 1966.

● (9.35 a.m.)

The CHAIRMAN: Gentlemen, we have a quorum.

Mr. BREWIN: Mr. Chairman, I wish to bring to your attention Minutes of Proceedings and Evidence No. 3 which I received yesterday. There are one or two errors in it which are of a technical nature. On page 43, line 35, I am reported to have said, "I understand it is a straight reconnaissance role." The word "straight" should be changed to read "strike" so that the sentence will read, "I understand it is a strike reconnaissance role." Then at the foot of the same page, the very last line, I am reported to have asked, "Have you been requested to replace the CF-104s with some other form of a straight reconnaissance role?" Again, the word "straight" should read "strike". I am sure the experts will understand the significance.

The CHAIRMAN: Mr. Brewin, we will incorporate those changes in the record of today. It is my understanding that the record of the last meeting we had will be available very shortly. We got some quick action on this as a result of the request of the committee last week. We hope to have it out today. I cannot promise but as soon as it is out it will be distributed to the members.

Mr. BREWIN: Mr. Chairman, there is one other correction, if I may make it, at page 54. I must not have spoken into the microphone as I should have done. I am reported to have said, "Mr. Chairman, I have not finished. I waived going on, but I have with me two letters—"

Well, Mr. Chairman, I do not know exactly what I said, but I certainly did not have any letters. It should be simply, "I have in mind two matters." rather than letters. I am afraid someone might later demand these letters from me and I never had any letters.

The CHAIRMAN: These minutes only arrived on my desk last evening. I think there probably are other amendments which will be incorporated later on when the members have read them. I noticed one other last night and I am just looking for it now, but I cannot seem to find it.

Our meeting later on this week will be on Thursday at 9.30 in the morning and not at 3.30 in the afternoon as has been indicated. The subject for discussion will be an *in camera* briefing on our allies' capabilities. This is being done at the request of the committee. Would you just make a note of the time, 9.30 on Thursday morning.

Mr. SMITH: I hope it will be more useful than the last *in camera* briefing we had which might as well have been held on the steps of Parliament Hill for all the information we were given.

The CHAIRMAN: We will make note of that opinion, Mr. Smith. Now this morning we are continuing with our consideration of the estimates under item No. 1, and at your request we have with us this morning the Hon. Mr. Benson, the Minister of National Revenue who is the acting chairman of the Treasury Board. I am afraid Mr. Cadieux is ill. However, two of the officials of his department are with us in case we wish to ask any questions from the department's point of view.

The purpose of this meeting this morning is to continue our discussions on the dockyards and the wage rate policy. I will ask Mr. Benson if he will come and join us at the table and be available for any questions.

We have two other members who are not on the committee, Mr. McCleave and Mr. Forrestall. I hope they will come and join us as well. They have a special interest in this problem.

Mr. Benson, have you a statement?

Hon. E. J. Benson (*Minister of National Revenue*): Mr. Chairman, I have a very short statement. I have with me Dr. Davidson, the secretary of the Treasury Board, and Mr. Love, the assistant secretary (Personnel). I understand that we have been invited to appear before the Committee in order that certain questions may be pursued relating to the pay policy of the Government. We may not be able to deal with all of the questions that may be asked but we are prepared to do our best.

By way of introduction, I would like to refer briefly to some of the main elements of the policy. For many years, there have been two principal systems of classification and pay: one for civil servants, the other for prevailing rate employees. Under the civil service system, rates of pay have been established on a national basis and reviewed from time to time according to a procedure laid down in the Civil Service Act—a procedure providing for recommendations by the Civil Service Commission, consultations with interested employee organizations and ultimate decisions by the Treasury Board, representing the Governor in Council. Under the prevailing rate system—and this is the system that is applicable to dockyard employees—rates have been established on the basis of those prevailing in the locality of employment, the decisions being made by the Treasury Board on the basis of recommendations put forward by the Department of Labour. In both cases, considerable reliance has been placed on surveys of the rates paid by employers outside the public service.

● (9.41 a.m.)

For trades and labour occupations, rates of pay across Canada vary widely from community to community. Because of this fact, locality-oriented rates seem to provide the best means of recruiting and retaining qualified personnel and, at the same time, being fair to both the employees of the government and the tax-paying public. This has been the general philosophy underlying the prevailing rate system, which has existed in one form or another since the early 1920's and laid the support of successive governments over that period.

The dockyard employees, who have, I understand, been the subject of discussions in this Committee, have, of course, been governed by the prevailing rate system, with some modifications. Rates of pay were for a long time based on those prevailing in local shipyards. Since 1961, rates at the Halifax dockyard have been based on those paid in seven shipyards in Eastern Canada. Those at

the Esquimalt dockyard are based on the rates paid in the two shipyards on the West Coast.

That, I think, is the general position at the moment. The members of the Committee will be aware that the systems of classification and pay are now being reviewed and modified as a part of the re-classification revision being carried out by the Civil Service Commission. They will be aware also that the government has recently introduced a bill to provide the public service with a system of collective bargaining. These developments, which are closely related, will no doubt have an important effect on the situation. Among other things, they will provide employees with virtually the same opportunity to influence their own rates of pay and conditions of employment as are enjoyed by employees outside the public service; and I think I mentioned previously that the system will also include prevailing rate employees. In the meantime, it is important, I think, that the existing systems and policies be maintained and administered as effectively and as fairly as possible.

In this connection, if members are interested in looking further into this matter, there is a comment in the Glassco Commission report, volume 1, on pages 172 and 173 with respect to pay policy in the federal public service in which they set forth the pros and cons of having regional rates as against having a national rate for employees.

The CHAIRMAN: You have heard the Minister's statement. We would like to begin our questioning. Mr. Hopkins indicated to me that he had a question which he would like to ask.

Mr. HOPKINS: Mr. Chairman, in 1961 the carpenters in Camp Petawawa and I presume in other military establishments across Canada were placed in three different classifications: bench carpenters, cabinet carpenters and carpenters. Now, they are very unhappy about this because actually all of them are doing essentially the same type of work. For example, one who is classified as a carpenter does considerable maintenance work which means that he has to be a handy man at many different types of carpenter work. A bench carpenter, too, is one who is called upon to repair furniture, and to do many other types of work that are original in nature; therefore, he is called upon to have considerable talent and he must vary his activities. A cabinet carpenter, of course, must be a refined workman. But you can see that these three different classifications are not very realistic. So the carpenters group have approached me to see if it would not be possible to get them back under one classification. Not only does this affect their different rates of pay at this time but it is also going to have an effect on their pension.

Mr. BENSON: The situation with respect to carpenters, speaking specifically to this question, is this. Undoubtedly in 1961, based perhaps on a recommendation from the Department of National Defence, Treasury Board made this decision, and they are responsible for the decision. Fortunately I can exempt myself from that decision because in 1961 I was happily enjoying myself in ordinary life.

However, the Bureau of Classification Revision is presently looking at all classifications in the trades area, and they expect to have this finished by the fall of 1966. This is necessary in order to get classifications re-arranged and simplified so that occupational groups based on these classifications can enter

into collective bargaining with the government. Initially as has been explained, the collective bargaining units are being defined by occupational groups which in turn are based on classifications so, what is going on in the civil service presently is a vast reclassification of employees, designed to cut down the number of classes so that you can take some 200,000 employees and get them into suitable groups so they can bargain collectively as a unit. All I can say with respect to your carpenters is they are assured of a review this year and, perhaps, a reclassification, although I cannot guarantee this. The Bureau of Classification Revision which is presently doing the job on the complete civil service will be looking at the trades, including the carpenters.

Mr. HOPKINS: There is a possibility then under this reclassification that they might be brought into one group again?

Mr. BENSON: I would say there is a possibility, but this is up to the Bureau.

Mr. HOPKINS: The second point I wanted to bring up Mr. Chairman, deals with the firefighters in Camp Petawawa, and I know that there are certain feelings among firemen in other DND establishments too. I wonder if we could have a report on the weekly hours of firemen in DND establishments in relation to the Labour Code.

Mr. BENSON: This would have to be done by the Department of National Defence. They would have this information. I see they have some officials here; undoubtedly they will note your question and provide you with an answer.

Mr. WINCH: Mr. Chairman, I have some questions I would like to direct through you either to the minister or to Dr. Davidson. In most government departments where prevailing rates pertain, prevailing rates are the local trade union rates and conditions in the general industry. Why therefore has it been the policy with regard to dockyards that prevailing rates should not be based on the generally accepted rate of pay and conditions, but on an industry to industry basis?

May I follow that with my second question so I will not bother anybody else? We were given to understand at our last meeting that so far as dockyards are concerned there will be a report not later than October 1, to which some indirect reference was made by the minister just a moment ago. Will that be just a report on classification or job evaluation? By that time we hope a collective bargaining bill will be through the House of Commons and the Senate. How many months then later than October 1 will it be before a decision is reached on the wage rates and the removal of problems which for years now have been bothering the employees in Halifax and Esquimalt. In other words, will there be a settlement on October 1? I do not believe there will be. So, how many months afterwards, although they have been waiting now for years, will it be before a final adjustment is made? I hope those two questions are clear.

Mr. BENSON: Really there are three matters involved. You referred to the report on reclassification. Although I said it will be effective in October, it may not be completed by October. It might take a month or so beyond that before it is completed. The effective date of the reclassification and for the commencement of the collective bargaining process is October 1.

Now, to deal with your first question: why the prevailing rates in the dockyards are based on shipyard rates, the only answer I can give you to this is that this has been the case over the years. For many years they have been based on the local shipyard rates, as was the case in Halifax and in Esquimalt.

Mr. WINCH: Do you admit that the general practice on prevailing rates is not industry to industry?

Mr. BENSON: That is right. The general practice of prevailing rates is based on the local prevailing rate, although it is not necessarily the union rate as you mentioned. It might not be a union rate because there may be both union and non-union people considered in determining the rate.

I have in my own particular riding quite a few prevailing rate employees of DND and for carpenters for example, they accept the rate which is established by the union through the Builders' Exchange. This is the rate at which they pay them.

I would not like to be asked to justify the reason they have been compared with the shipbuilding industry. This is just a practice which has developed; it is possibly a practice which will be discontinued, when we get to under collective bargaining. However, I should point out that in Halifax if they use the local rates this might be detrimental to the people working in the shipyards. It certainly would not in Esquimalt where your outside prevailing rate over the whole community is higher than the dockyard. But in Halifax it might be found, and I am not saying it would be found, that the prevailing rate over the whole community if you simply took the community rate might be detrimental to the dockyard workers. In Halifax indeed it was felt. I recall in 1961, from my reading with respect to this matter,—the dockyard workers in Halifax were very unhappy to be compared to the shipyard workers in Halifax because they felt this was not a fair comparison. That is the time when the formula was moved to the seven shipyards average covering the Atlantic seaboard; prior to that Halifax dockyard workers had complained about the rate in the Halifax shipyard and, as I recall it, about 20 classifications were given a five cents an hour differential which even now continues. Even though they are now compared with seven other shipyards on the Atlantic Seaboard they still get five cents higher than the rates earned on the average of seven other shipyards.

Now, when we have the reclassification carried out—reclassifications to all intents and purposes are to get people into bargaining units—once this is established—and it will be effective October 1,—how long it will take to determine new rates of pay will depend on the collective bargaining processes. All of you know under the ordinary biennial cyclical system we have used, it has taken about six months or a little longer for all the processes to be gone through. I do not know what the effective date is in all cases, but in this case it would be October 1. How long the actual collective bargaining process will take it is very difficult to guess, Mr. Winch. As soon as they have established a collective bargaining units and are willing to bargain with the Treasury Board, the Treasury Board officials will be willing to sit down for preliminary discussions. On both sides it will undoubtedly be necessary to gather information. I would hope that the pay research bureau will continue to operate as a non-partisan agency, providing information to both the representatives of the employee and the representatives of government in order that they can move

forward in the collective bargaining process. But to gather the information takes some time.

Mr. WINCH: I wonder if I may ask just one supplementary question. In view of the fact that the Minister says it may take about six months after October 1 to get the reclassification section in, is it your opinion, no matter how long it takes, that the pay adjustment will be retroactive; and if so, how far retroactive?

Mr. BENSON: Retroactive to October 1, the review date.

Mr. WINCH: Thank you.

Mr. BENSON: Incidentally, I might point out that the information on which the pay rates are based, now and in the future under collective bargaining is information pertaining to outside pay rates actually being paid on October 1st. We know, from past experience, it will take six months to collect and analyze the information in the Pay Research Bureau before it is supplied to the government, the Treasury Board and the employees organizations to get in order to permit them to get together and work out something.

Mr. WINCH: As far as you know it will be retroactive only until October 1 of this year? That has been established as a definite date.

Mr. BENSON: Correct.

Mr. SMITH: When the reclassification review is completed will it not in effect have the result that prevailing rate employees will disappear?

Mr. BENSON: Well, they certainly will disappear as prevailing rates employees because they will fit into proper occupational classes which the Civil Service Commission is now establishing. They will be represented by someone bargaining for them with the government—and their rates will be determined in this manner. Whether or not there will be regional rates involved is a matter which will be determined by the collective bargaining process. Indeed, there are many things to be said—this is why I referred to the Glassco Commission report—on both sides for having regional rates. Sometimes when you have a national rate across the country—and one could refer back, for example, to the postal strike last summer—I shudder whenever I refer back to it—there was no difficulty in many parts of the country. The difficulty arose in areas where the national rate, which was a national average when established, was out of line with the local rate for similar employees. As you recall, Montreal, Toronto, Hamilton, Windsor, Vancouver, were the areas where there were high local rates for people doing a somewhat similar type of work, and this is where the difficulties arose.

Mr. SMITH: You mentioned the carpenters, Mr. Benson. I expect that you have even more civil servants in your riding than I have in mine. One of the causes of irritation in the military camps over the years has been that the carpenters will get their salaries adjusted and then by the time the ping pong ball stops bouncing between the Treasury Board, the Department of Labour and the Department of National Defence, the pay rates of carpenters in relation to, say, plumbers is far out of line. You are nodding your head. You have heard the problem; we have got one now.

Mr. BENSON: I have had a perpetual problem with mechanics in my particular riding because the Department of Labour carries out a survey; they get their adjustment and by the time they get their adjustment they claim that the rates have moved up again and that they are right back where they started.

Mr. SMITH: Yes. One trade is out of line with another.

Mr. BENSON: That is right. But this should be taken care of if they enter into two year contracts. Dr. Davidson brought to my attention that presently prevailing rate adjustments are made more often than for classified civil servants. In the collective bargaining process, if we arrive at rates of pay which are going to be effective for two years, then people will not all be in a position where they are daily comparing themselves with other people because they have established rates through collective bargaining which they have agreed upon or have been decided by arbitration, and they will know when their rates are going to change. The difficulty with prevailing rates is they have not known when they are going to change. Whenever the Department of Labour gets a survey carried out and, as you say, the ping pong ball bounces back and forth, then they get an increase, and by that time they are looking at other people who have also had a change in salary in the meantime.

● (9.50 a.m.)

Mr. SMITH: Will each department, when collective bargaining comes be bargaining with the plumbers, the electricians and the carpenters in separate contracts? Will this be the procedure?

Mr. BENSON: No. Dr. Davidson can correct me if I am wrong but you would probably find—and I cannot say this because these classifications are not finished yet—that a good many trades would be represented by the same bargaining agent. The bargaining agent would come forward for this group of trades and bargain rates of pay for each trade or classification within the bargaining unit.

Mr. SMITH: So that the normal differentials then should be established in the one—

Mr. BENSON: Once and for all at that time in the same contract.

Mr. SMITH: For two years?

Mr. BENSON: Well, what ever period of time it is.

I am told that within the operational category there will be a general labour and trades group which will take in many—

Mr. SMITH: Is that a public document?

Mr. BENSON: This is a report of the preparatory committee on collective bargaining of which you have a copy. I think if you look at page 49 you will see that it deals with the operational category and the proposed occupational groups within this. The proposed groups are not binding but this is a recommendation.

One of the great problems in the civil service, and it is going to be a great problem in collective bargaining for the federal government, is that you have such a vast variety of people working for the federal government and yet you cannot break them down into 300 groups with whom to bargain collectively because it would just be an impossible task. So they are working towards something like 67 or 68 groups.

Mr. SMITH: It always seemed to me that it would not have been an impossible task to deal with the plumbers, electricians and carpenters at the same time.

Mr. BENSON: They will be.

Mr. SMITH: It is proposed that they will be. Now I have one or two questions following a facet of that line of questioning. How far does the federal government propose going in requiring or accepting provincial standards? For example, in Ontario now electricians are licensed and plumbers, I believe, are licensed and carpenters will be licensed this year. Up until now the federal government has not recognized provincial licensing requirements, they will take a man with a saw and hammer and call him a carpenter and he may not have qualifications where he could go out and practice carpentry or get paid as a carpenter in civilian life. Is there any move in that direction to accept provincial standards?

Mr. BENSON: All I can say is that the establishment of standards within the various groups will be the responsibility of the bureau of classification revision which is presently working on it. As I understand it there is no fixed position taken at this point because they are just really in the midst of considering this group.

Mr. SMITH: I think it would be a good thing if as far as they could they did accept or require provincial standards because it is an encouragement for people to get their training. Presumably, we are all interested in improving educational and trade standards, and if they would require provincial standards and follow provincial regulations it would be of great assistance to the carpenters and plumbers. I know it does cause a certain amount of bad feeling in a large military camp where you have a person who has been a licensed journeyman plumber for ten years or so and he gets the prevailing rate of \$1.85 or \$2.25 or whatever it is, and then suddenly somebody comes in more or less off the street and is arbitrarily covering off the position of plumber and gets the same pay.

Mr. BENSON: Well, I would be pleased to bring your comments to the attention of the bureau of classification revision. However, it is not without difficulty when the federal government operates this way because can you imagine refusing to hire somebody, say, in the province of Ontario—and I am just using this as an example—who is qualified in the province of New Brunswick but not in Ontario because the provincial standards are different.

Mr. SMITH: I realize, Mr. Benson, the difference, but I feel a certain amount of work should be done, or we should move in that direction. I can give you the example of a boiler operator, licensed for the province of Nova Scotia and another province, who cannot get a job at Camp Borden.

Mr. BENSON: I am not giving anybody suggestions but perhaps the federal government should write its own standards,—

Mr. SMITH: Well it should write them high then, or reasonably high.

Mr. BENSON:—taking into consideration the standards of the provinces. However, this will be up to the bureau of classification revision. We will bring your views to their attention.

Mr. CARTER: Mr. Smith covered most of the ground in which I was interested in. I have only one or two questions for clarification. The Treasury Board makes the final decision about the various classifications of every trade, carpentry for example.

Mr. BENSON: Outside the classified civil service only.

Mr. CARTER: These carpenters that Mr. Hopkins referred to, to illustrate his case, did Treasury Board make the final decision?

Mr. BENSON: Yes if they were prevailing rate employees; in the future we will be making the decision for all the classifications.

Mr. CARTER: Well now, you act on recommendations from other sources.

Mr. BENSON: Yes.

Mr. CARTER: Well I was just wondering; you mentioned this bureau of classification and, I presume, they will be making recommendations?

Mr. BENSON: The situation presently for the classified civil servant who comes under the Civil Service Act is that his classification is set up by the Civil Service Commission. For the prevailing rates we set up the classifications on the recommendation of the department and other people involved.

Mr. CARTER: Yes.

Mr. BENSON: But this will change in the future. The Treasury Board will be responsible for all classification; once the classification has initially been carried out then it will be the responsibility of the Treasury Board.

Mr. CARTER: For trades as well as for Civil servants?

Mr. BENSON: For classified civil servants as well as for trades.

Mr. CARTER: Well now, let us come back to the trades. Who makes the recommendations then with respect to the trades, the Department of Labour, the Department of Defence, or who?

Mr. BENSON: Is this for classification or pay rates? Are you talking about classification?

Mr. CARTER: Yes, classification apart from the rates altogether.

Mr. BENSON: It would be the employing department.

Mr. CARTER: And trade unions make no recommendations with regard to classification or standards?

Mr. BENSON: No. Mind you, I should point out that the department and the Treasury Board may well consult trade unions in this regard.

Mr. CARTER: When we get around to collective bargaining do you envisage that collective bargaining will cover classification as well as rates?

Mr. BENSON: Any matter that is related to conditions of employment is subject to collective bargaining, but classification as such is not subject to

arbitration under the new collective bargaining bill which will be going to committee. I hope, within a day or two. There can be talk back and forth but the decision is ultimately made by the government.

Mr. CARTER: How is it envisaged that this collective bargaining will take place? Who will be expected to do the bargaining? Will it be the groups, the employee groups themselves, or the unions? I presume these prevailing rate people belong to unions.

Mr. BENSON: Not all of them. What will have to happen under the collective bargaining legislation as proposed is that a board will be set up which recognizes and certifies representatives of particular occupational groups, the 67 groups. It will then be up to employee organizations-- you can call them unions if you want to, but generally they have been calling them employee organizations-- to get sufficient support within the group to represent the group, just the same as the union has to get sufficient support among employees before it can represent them. Then it will be certified as the bargaining agent.

Mr. WINCH: Let us take Esquimalt. The electricians are members of the IBEW, local 230. Are you saying that the employees who are members of local 230 in Victoria will have to be certified as a group inside the dockyard?

Mr. BENSON: No, they will be certified as a group of employees across Canada, employed in this particular trade by the government. In this case I think it would be the general labour and trades group.

Mr. WINCH: In other words you are wiping out their trade union as such.

Mr. BENSON: No, they will form part of the ship repair group. If a particular union which represents the employees in Esquimalt gets sufficient support across the country within the ship repair group, then it would be the bargaining agent. But Mr. Winch, you just could not take a group such as the ship repair group, for example, and have five bargaining agents representing them, and try to arrive at an agreement with the government. You have to be represented across the country.

Mr. FORRESTALL: I trust, Mr. Minister, you recognize the problems you are facing when you try to bring these people together.

Mr. BENSON: Yes, there are problems of course. Mind you, anyone can stay outside collective bargaining if they want to, but I think ultimately it will work out. It is just the same as someone saying it was impossible to get any group organized across the country. But this is being done and I think it will be done within the civil service.

Mr. CARTER: This one bargaining group, once it gets the approval across the country, will bargain for several trades?

Mr. BENSON: Oh yes.

Mr. CARTER: It will bargain for all the trades.

Mr. BENSON: It will bargain for all employees in the ship repair group.

Mr. CARTER: For all the groups engaged in dockyard.

Mr. BENSON: Yes, all who are included in the ship repair occupational group. I might just make another point here. A council of unions could be certified. For example, you might have different unions in Esquimalt and Halifax and they could form a council of unions to represent the ship repair group. They could be certified as a council of unions. There could be several separate unions but they would have to come together and have one national group doing the bargaining.

Mr. SMITH: In other words, to get back to the electricians, plumbers and carpenters, they would have to appoint a bargaining agent to bargain for them?

Mr. BENSON: That is right.

Mr. WINCH: From Halifax to Esquimalt?

Mr. BENSON: That is right.

Mr. WINCH: Boy are you asking for a headache.

Mr. HARKNESS: You envisage one ship repair group which is going to bargain for people working in the dockyards at Esquimalt, at Halifax and any place else they happen to be working. Then do you also envisage that these people are going to bargain for one rate of pay for, say, electrician.

Mr. BENSON: Not necessarily. They may choose to say that they believe the right way to deal with the subject is through regional rates, and this is bargaining. And indeed, it will be bargainable for the present classified civil servants if they decided it was to their advantage as a group to have regional rates. Then this matter would have to be considered; it is bargainable.

Mr. HARKNESS: In other words you have no preconceived ideas whether there will be national rates for any particular group or whether there will be regional rates for any particular group?

Mr. BENSON: When we move into collective bargaining we will have a management position in this regard, the same as anyone moving into collective bargaining would have. I do not think I would like to indicate what our position will be because I do not think our position is defined at this time.

Mr. DEACHMAN: Mr. Benson, I want to deal first of all with a supplementary to this question of who will be certified as the bargaining agent. Am I to understand, for instance that one union across the country will deal with one of the classifications?

Mr. BENSON: One bargaining agent. Now, the bargaining agent might be a council representing several unions, but one bargaining agent. You have to do it on this basis to get it down to a number of groups in the civil service that it is possible to bargain with. We believe that you cannot go much beyond bargaining for 67 agreements. This was a figure that was arrived at in the recommendations of the Heeney committee and we as a government think this is reasonable and realistic, because if you go much beyond this you would never be able to complete the process of collective bargaining. As it is we visualize we will be bargaining all the time.

Mr. SMITH: You do not think that 67 is chaotically high?

Mr. BENSON: Well, it is not in the system that is recommended by Heeney because they do not all come at once. Everybody does not move into collective bargaining as soon as we pass the legislation. They move in by stages as their cyclical review comes to an end. In the case of these people in the ship repair group this is October 1 of this year.

Mr. SMITH: With 67 unions, assuming you are going to go on a two year contract, that would leave you with one crisis every two weeks, permanently.

Mr. BENSON: I should point out that one collective bargaining agent might represent a wide variety of groups, the professionals for example.

Mr. SMITH: That would be a desired accomplishment.

Mr. BENSON: Well, we are not going to tell the civil servants how to organize themselves. I think that they generally are capable of doing this for themselves.

Mr. McNULTY: Will this affect the service personnel as well as civilian personnel?

Mr. BENSON: Military personnel are excluded from collective bargaining, as well as the R.C.M.P.

Mr. McNULTY: How are they going to bargain if they are excluded, or is DND going to very shortly bring service personnel up, say, to comparable salaries of civilian personnel across the nation?

Mr. BENSON: With all the intangible items involved it is generally the aim of DND to pay their people the same as are paid to equivalent civilian personnel. What will have to happen in the future is that when there are changes in the civil service, for example, of rates of pay for people similar to those in the armed forces, the armed forces will have to be adjusted similarly, the same way they are now.

Mr. McNULTY: I was not thinking particularly of the civil service but of the industry outside.

Mr. BENSON: No; they are presently compared with other civil servants. I would not want anyone to get the idea that civil servants in Canada are underpaid. From a government point of view we think they are fairly treated.

Mr. McNULTY: I am thinking particularly of the aircraft industry, and I know other members, as well as myself, have received requests from people within the air force, service people, who had been offered civilian positions outside of the service in the aircraft industry, in some instances, at double the salary that they are now receiving, and they are trying to get out. They signed up for five year terms and they were told that they have to give six months notice; of course, some of them just cannot understand why since they are being paid on a monthly basis they cannot give one month's notice and get out and reap the harvest.

Mr. BENSON: Well, this is a term of their collective agreement. It is signed on an individual basis. I have no right to comment for the army, the air force, the navy or for any service group in this connection, but I do not think you could run an army, navy and airforce on the basis that anybody can quit in a month.

Mr. McNULTY: That is true. In complying with salaries it is going to be very difficult for DND to come up to the present rate there is now.

Mr. BENSON: Mind you, they keep pushing. My experience has been, in dealing with DND—and I would like to compliment their minister in this regard in one sense—that every time there is a change of salary rates within the civil service they push for it.

Now, the question that you raise is a question that the military, I imagine, has to face. In times of relatively full employment in the outside community the military have difficulty holding the specialists whom they have trained. Mind you, I would not like to comment too much on this, but, as I say, they have had to train specialists. Then the fellow gets to the point where he is well trained—and it has cost a lot of money to train him—and he is offered an outside job at a higher salary. Of course, there is a great temptation to move out. I think a typical example of this is the air force pilots. It cost \$250,000 to train them; sure, somebody will offer them more money because they do not have to pay this \$250,000 to train them. The government of Canada has paid the \$250,000. They do not have to train the fellow at all. They can pay him more than the person that had to pay for his training.

Mr. DEACHMAN: My questions, Mr. Chairman, are along much the same line that has been pursued for the last minute or two by Mr. McNulty, and that is what the responsibility of Treasury Board is relative to pay rates in the armed forces.

What is government policy with respect to armed forces pay rates vis-a-vis comparable jobs in other branches of the government; that is to say, do you pay less and put up with the considerable drift from the armed forces; do you try for parity with a view to holding them in, or precisely what is the philosophy behind pay rates?

Mr. BENSON: First of all, to answer your first question, the Treasury Board is ultimately responsible for pay of the armed forces the same as it is for pay of all civil servants. Generally, the attempt is made to make sure that members of the armed forces are paid equivalently to other people in the civil service. This is the philosophy on which you work. For example, if someone doing a job in the civil service gets an increase then DND never have to be urged; when the next pay review period comes around they are in looking for increases for their people in similar categories. And the Treasury Board has to look at the matter to make decisions. Mind you, I should say that the Board takes account of the total pay package because there are allowances and pension benefits which are greater in the armed forces than they are in the general civil service. So, there is an attempt made to keep the total pay package in the armed forces equivalent to the rest of the civil service.

Mr. DEACHMAN: Let us take a couple of examples. Let us compare an aero engine mechanic or an airframe mechanic in the air force to one who works for the Department of Transport; how does their present scale of pay compare? I

ask this question because I know that air force personnel look enviously at those jobs and would certainly like to be out of the jobs they are in and working in Department of Transport at the pay scale they see there now. Now either you are right and there is parity or they are wrong and it should be pointed out to them.

Mr. BENSON: As I said, there is an attempt to keep parity between the two, considering the total pay package. Certainly there may be times when one gets behind in this sort of thing and the adjustment that is made because everything cannot happen at once when you are dealing with a couple of hundred thousand people—I mean outside of the armed forces, and comparing them with the armed forces because every time there is an adjustment in a particular group, you cannot immediately move over and adjust the group in the armed forces. It takes a little time to do this and it takes time for the Department of National Defence to even make their recommendation to Treasury Board. And then you also have the problem of the rank structure in D.N.D. I think really I am not qualified to set out all of the problems in arriving at recommendations with regard to rates of pay in DND, and I would suggest that you really should take this up with Mr. Cadieux. I can only give you our philosophy.

Mr. DEACHMAN: Let me come back to another example. Let us take the case of the pilots which you mentioned a moment ago. The increase of pilots, I think if I am correct, was a pensionable increase, so that while this was not forthcoming to navigators or engineers on that flight it was forthcoming to pilots. So, anybody on the crew less than pilot now looking at this might have said to himself, well, perhaps national defence had to do this to be competitive, in order to keep pilots in, but in making it pensionable they now also assure to this man that if this flight were scrubbed out he would leave a good deal more to his widow and children than would the same fellows who had been flying with him—and this was not the case immediately previous to the increase. I wonder whether or not increases are being made equitably along the line or whether it is the philosophy of the department to single out only areas in which there is brisk competition and to look after them and them alone.

Mr. BENSON: Now really, in the cases of pilots, it was a matter of the demand outside of the service, requiring that some action be taken in order to retain people in the service.

In considering what action had to be taken the total package had to be taken into consideration. I do not think there was a move—and I am subject to correction in this—to equate what a pilot can make in flying for, say, United Air Lines or Air Canada, with what he makes in the armed services. But, his whole package which he looks at, including his pension, may be attractive enough to keep him in the armed services or to re-enlist even though he gets less pay than he would get immediately in dollar return by going to work for Air Canada, for example. You are going to have variances depending on the demand for people.

Mr. DEACHMAN: How is this going to work out in relation to the morale of that crew? Will it be higher or lower as a result of this move?

Mr. BENSON: This is a matter for national defence. The morale of the armed services is not the direct responsibility of the Treasury Board. I would rather you take this up with them.

The CHAIRMAN: I have two more questioners at the moment before we ask Mr. Forrestall and Mr. McCleave, who are here and who are very interested in this problem, to proceed with questions. I would like to say that there is no great urgency for us to leave this room today as there has been on previous occasions.

An hon. MEMBER: Public Accounts meets at 11 o'clock, sir.

Mr. BENSON: The Cabinet meets at ten.

Mr. WINCH: Mr. Chairman, I have one more question. The discussion has been most interesting, but I think that the main reason we have asked Mr. Benson and Dr. Davidson to be here this morning is the situation with regard to the dockyards in particular. My two hon. friends on my left from Halifax and myself made a major pitch in the House of Commons on the dockyard situation in Halifax and in Esquimalt. It was a responsible pitch because we were concerned from our knowledge of the situation not only with regard to the dockyards themselves but if any action was taken, because of their dissatisfaction, the effect it would have on defence forces and the defence department itself. Now, with that little bit of background my question to the minister is this. My own personal impression—and my two friends from Halifax can add their own—is that the employees in dockyards are not going to be at all happy in view of the fact that over the years with no action taken to be told now that on October 1 there will be a report but it may be six months or a year before any basic remedial action is taken. That being my impression I might express it as my own opinion and I would like to ask the Minister whether or not there is any possibility or any consideration being given by the Treasury Board to an interim action to remove the problems and the complexities which are bothering the employees in the dockyards.

● (10.29 a.m.)

I think it is most important that there be a definitive statement that will be of assistance in the thinking of the dockyard employees. I am afraid that being told now, as they were told last year and the year before and the year before, that the matter is under consideration and something is going to be done, will not be satisfactory. Is there a possibility of the Treasury Board taking some interim action before October 1?

Mr. BENSON: Well, first of all, I would like to say that I disagree, Mr. Winch, with the view that nothing has been done over the years with respect to dockyard workers. To cite the two most recent actions, an 8 cent increase was given May 1, 1965—this is with regard to the Halifax dockyards—and an additional 8 cent increase was given effective January 1, 1966.

As well as this the conditions of employment were changed in several respects due to representations they made in late 1965. They were given four hours callback pay for motor transport employees; night shift differential of time and one-eighth for motor transport employees; triple time for working statutory holidays; double time for all overtime beyond four hours in a normal working day; board and lodging expenses for ships' crews on temporary duty with a starting equivalent to that applying to ships' officers, approved in principle subject to further study to determine the effects on other departments; permission to retain jury duty fees, which was a strange one, but this was a request.

Mr. WINCH: I know all that but my point is that the problems which have brought about the present situation and the present discontent have not been handled.

Mr. BENSON: We are investigating at the dockyards on both coasts with regard to particular problems that have been raised due to re-organization within the Department of National Defence where some of the employees have been under a different command, so to speak, and it has caused serious anomalies. Presently, I understand, there is a departmental committee looking into this particular matter.

The CHAIRMAN: You are in discussion with officials of the Department of National Defence?

Mr. BENSON: Yes.

Mr. WINCH: So there may be action before October 1 on some of these problems which the three of us raised in the House.

Mr. BENSON: Certainly we are looking at the anomaly problems and some solution has to be worked out because you find people under the new organization in the Department of National Defence, who were formerly under different commands, and are now under the same joint command and, now you have two fellows doing exactly the same job and receiving different rates of pay because they were previously determined on a different basis. The dockyard workers were determined on the basis of comparison with shipyards; the rates of pay of other people with whom they are joined now were determined on a comparison with prevailing rates generally. There are anomalies there and I understand we are doing some work on that.

Mr. SMITH: I think they have started on the dockyards now. I had only a single question which was not very important.

Mr. McCleave: First, I would like to inform the Minister that several of the locals associated with the Halifax Dockyards Trades and Labour Council already have taken strike votes to back up their wage negotiations, so that Mr. Winch's point on quick action is, I think, a well taken one. Is Treasury Board flexible enough to meet a situation like that. I do not think October 1 would be satisfactory.

Mr. BENSON: Well, Treasury Board is a committee of cabinet and, of course, it is flexible enough to meet any situation that it has to meet. It has to be prepared to meet situations as they have to be met. I am not going to sit here and say that we are going to give increases to the people in Halifax; we have not even looked at the matter at this point. No recommendation has come forward to us from the Department of National Defence.

Mr. McCleave: By the way, we will send in the brief about the middle of June, Mr. Benson.

Mr. BENSON: We certainly will look at their brief when it comes in.

Mr. HARKNESS: Just on this point, there is no possibility of a legal strike at the dockyards at the present time, is there? There is no law that says they cannot.

Mr. BENSON: Throughout last summer, you will notice I tried not to define what is a legal strike and what is not a legal strike.

Mr. HARKNESS: Is it not true that under the present civil service regulations and the conditions of government employment strikes are not provided for? So there cannot be a legal strike under the legislation as it exists at the present time.

Mr. WINCH: If it is not provided for why can they not strike?

Mr. HARKNESS: Well, I think the situation is they can walk off the job but, I say, there cannot be a legal strike in the ordinary use of the term.

Mr. BENSON: Yes; the same point arose during the course of last summer.

Mr. HARKNESS: Yes, and the postal workers in a sense, could not hold a legal strike—they could walk off the jobs.

Mr. BENSON: It does not do any good to say a strike is legal or illegal when people are not working unless, you are prepared to fire them all.

Mr. HARKNESS: The main thing is that the ordinary procedures for settling labour disputes do not exist under these circumstances.

Mr. BENSON: That is right and this is what we are trying to—

Mr. HARKNESS: In other words, your conciliation boards, your mediation and all this sort of thing just do not exist under these circumstances.

Mr. BENSON: That is right.

Mr. HARKNESS: This is one of the difficulties.

Mr. BENSON: The collective bargaining legislation is designed to correct this situation which can cause untold difficulties when dealing with civil servants.

Mr. McCLEAVE: To what extent does the Department of National Defence have a say in the formulation of pay policies?

Mr. BENSON: They will come forward, and Dr. Davidson can correct me if I am wrong, with recommendations; for example, with respect to their civilian employees, they will come forward to us with recommendations and the Treasury Board will consider these in conjunction with the Department of National Defence, and decisions will be made.

There is a distinction, that Dr. Davidson tells me I should point out, between pay recommendations and pay policies; pay policies are the responsibility purely of the Treasury Board.

Mr. WINCH: Does the Department of National Defence go direct to Treasury Board or do they have to go through the Civil Service Commission?

Mr. BENSON: No, direct to Treasury Board. On prevailing rates and the members of the armed forces they come directly to Treasury Board. If they are classified civil servants they must go through the Civil Service Commission.

Mr. McCLEAVE: One question of the Department of Labour is the role simply that of fact finding?

Mr. BENSON: In the prevailing rates they find facts and make recommendations based on the facts they have found—recommendations with regard to rates of pay to the department and the Treasury Board.

Mr. McCLEAVE: With regard to the matter of collective bargaining involving the dockyards, did I take it that you thought there should be one bargaining group for both Esquimalt and Halifax or do you think, say, the Halifax Dockyard Trades and Labour Council could do it for one and a similar body in Esquimalt could do it for the other?

Mr. BENSON: In the collective bargaining proposals one of the occupational groups is called ship repair groups; now the ship repair group will bargain with the government, and they must have somebody certified to represent them across the country. There is nothing to prevent, as I understand the situation, this being a council which might comprise representatives of the Trades and Labour Council that they have at the shipyard in Halifax and representatives from Esquimalt, but the bargaining would be done at one time.

Mr. SMITH: Do you envisage a similar set-up to the railroads where one bargaining group bargains for a multitude of unions?

Mr. BENSON: This is quite possible, yes.

Mr. McCLEAVE: The reason I asked is because it might put these prevailing rate people to quite extraordinary expense if they have to shuttle back and forth between Esquimalt and Halifax to draw up a picture to present to the collective bargaining team.

Mr. BENSON: Well, this is, of course, a difficulty I would envisage, but when they select people to bargain collectively for them they would get together, I presume, in Ottawa and then bargain collectively with the government.

Mr. SMITH: They will probably have their preliminary meetings in Miami or some place.

Mr. BENSON: Now one of the things that is going to happen under collective bargaining is that the employees' organizations, costs to operate—and I am saying this generally—are going to go up somewhat, I would think, because they are starting to operate like trade unions, and trade union dues have been higher than dues generally in government employee organizations.

Mr. McCLEAVE: Could I turn to the specific problem of the yard crafts. I think the Labour Code provides for time and half after eight hours and 40 hours and the yard craft people are being paid time and a quarter. Is this situation to be corrected shortly?

Mr. BENSON: We are presently working on the problems of fitting civil servants generally and prevailing rate employees into the Code and this is being worked on. We have to fit them in as soon as possible right down the line.

Mr. FORRESTALL: Mr. Benson, if we could just stay with reclassifications for a moment and the concept of a single bargaining unit to cover the ship repair groups, I see your 1967 outlined in a little pamphlet which, I gather, was published to help clarify a lot of questions, it is simply called "the New Classification Pay System". The point that I am concerned about is whether or not under classification the government is not envisioning general parity in the ship repair field.

Mr. BENSON: Do you mean national parity?

Mr. FORRESTALL: Yes.

Mr. BENSON: Well, we are not envisioning anything until we bargain with the employees involved. When the employees involved get together and bargain collectively, they will bargain across the country as one group made up of perhaps of various groups and, as I say, they are going to bargain with the government. They are going to come forward with their position and we will have to take our position.

With respect to parity of rates or the same rates across the country, or with respect to regional rates, they will have to bring forward their position and we will have to bring forward our position at that time. I do not think I could commit myself.

Mr. FORRESTALL: Your present policy then, as you have stated now, while manifold because of the nature of it, is generally against wage parity and based on the principles of—

Mr. BENSON: No, there are two groups here; there are the non-classified civil servants—

Mr. FORRESTALL: I am referring to ship repair groups.

Mr. BENSON: Oh, all right. In ship repair groups it is based on, really, area rates—area rates on the east coast and area rates on the west coast, as well.

Mr. FORRESTALL: Area rates on the west coast generally speaking and opposed to parity.

Mr. BENSON: This is the present situation.

Mr. FORRESTALL: And you do not envision any possibility of any change in that whatsoever prior to October 1?

Mr. BENSON: No.

Mr. FORRESTALL: With regard to the conditions of employment, Mr. Benson, without putting you in a position where I am asking you to answer questions that perhaps are best answered after October 1, there are, as you started to read off, about 14 or 15 very worthwhile meaningful things accomplished for dockyard people in Halifax, but there are also two or three dozen other items that were raised in the last conditions, of employment brief and in the series of

approaches. Is it the intention of the government or the Treasury Board, or whoever is responsible, to shelve all of this until after October 1, or is there a sense of continuing review on many of these matters?

Mr. BENSON: Well, there is continuing discussion between National Defence, as I understand it—this is a better question to ask National Defence—and the employees and if National Defence come forward with propositions to us then we, of course, will take a look at the propositions with regard to conditions of employment in the dockyards.

Mr. FORRESTALL: I only refer to those conditions which involve money or involve additional cost to the government.

Mr. BENSON: There are very few conditions of employment which do not involve money one way or another.

Mr. FORRESTALL: Well I am thinking of little things like double time for working on Sunday for marine employees; 40-hour work week for the fire tug crews; payment of shift differential to marine employees—I can go on and on.

Mr. BENSON: Well they came forward with 24 proposals last fall; we approved six of them and the decisions were announced. The Dockyards Trades and Labour Council in Halifax indicated that they felt they had a very fair hearing at that time.

Mr. FORRESTALL: Oh, yes, they certainly did. Of course that is not the question I am asking; I am asking whether or not, first, if there is a continuing review of the other 18 matters and whether or not it is the intention of the government to do anything about them prior to October 1; or whether it would be the wish of the government that these matters be raised again under collective bargaining.

Mr. BENSON: Well—

Mr. FORRESTALL: I am sorry, I do not mean to push you with that point.

Mr. BENSON: It is really an unfair question. What you are saying is, should we give up our bargaining before we enter into bargaining.

Mr. FORRESTALL: Well I suggest to you, Mr. Benson, that if in fact these men in Halifax are serious—and I must be responsible in the sense that I believe that they are now serious—whether the strike would be illegal or legal has not as yet entered into it and I am sure will not in the final analysis enter into it. We are talking in terms of 30 days within which we the government has to arrive at some understanding with the employees of the dockyards. Otherwise, you are going to have two-thirds of your Canadian forces drawing to a halt at some point very early in July.

Mr. BENSON: Well, you—

Mr. FORRESTALL: Perhaps this is not a serious situation.

Mr. BENSON: Of course it is a serious situation. You continuously have a serious situation in dealing with employees. As we said, the government's mind is never closed to anything and if propositions are brought forward to us

through the Department of National Defence we will, of course, consider them. We must also recognize the fact that the government has to be responsible in dealing with its employees. Government, after all represents not only parliament but all of the people of Canada and in dealing with employees it must retain a responsible position. For example, because people demand this and that and the other thing in order to make it easier for yourself you do not give in to everything they demand. Government doing this would be entirely irresponsible with regard to its responsibility to the people of Canada. But, the government has an open mind and will look at matters as they are brought forward to it.

Mr. FORRESTALL: And the procedure in this case to arrive at you is through a brief presented to the Minister of National Defence and then recommendations may or may not be made to Treasury Board, and Treasury Board at that time would deal with them.

Mr. BENSON: That is correct.

Mr. FORRESTALL: I am sorry I rambled a little bit, but as it now stands, reclassification, other than parity of terms, does not involve parity in dollars and cents necessarily?

Mr. BENSON: Well the type of reclassification that is going on is necessary in order to establish groups so that you can bargain collectively. After all, if you are going to bargain with a large group there has to be some sort of classification system on which to bargain.

Mr. SMITH: In the bargaining procedures is it envisaged that the employee groups, as they bargain, will have some position to bargain for the terms of classification and specifications of trade, as well as salaries?

Mr. BENSON: This is bargainable, in the sense that it can be discussed.

Mr. SMITH: It is bargainable?

Mr. BENSON: It is not arbitrable. They can bring this forward in bargaining with the government, but the government ultimately makes the decision.

Mr. SMITH: On the classification of trade?

Mr. BENSON: On classification, yes. This is under the proposed legislation, which is going to committee.

Mr. SMITH: It is not a matter, as it stands now, that can be referred to—the arbitration as it is presently envisaged.

Mr. BENSON: As it is presently envisaged in the legislation.

Mr. MACLEAN (*Queens*): I have a couple of brief questions. First, I would like to pursue the question of air crew pay, but I do not think this is the time to do it so I will leave that for now.

With regard to prevailing rates, at the present time the scale of wages is based on a factual finding of what prevailing rates are in an area which, I would think, simplifies the matter considerably. Is it right under the collective bargaining system envisaged contracts are going to be for two years? If that is so, you will be bargaining on what anticipated wages will be over that period.

This will, I would think, be much more difficult from a bargaining point of view from the position of the employer, in other words, the government, because it will be impossible to establish what the general pay claims will be in the two years ahead. Therefore, you have a tendency to have a built-in escalation. Naturally the employee is going to take the position that generally pay rates are going to increase to a certain figure and they will demand the highest figure that they can attempt to substantiate. I would think that this will mean a relatively large increase in wage rates in the first bargaining round.

Mr. BENSON: First of all I should point out that most contracts in organized labour now are written for two years and, indeed, the three year contract is becoming more and more common. There you have the problem of looking ahead to what the situation is going to be over the next two years. You will note in the last two awards that have been given to civil servants a mid-term escalation has been built in. Certainly I would not like to agree with Mr. MacLean that there are going to be substantial increases in the initial bargaining because this would be assuming that civil servants are vastly underpaid, which I do not assume.

Mr. MACLEAN (*Queens*): I would like to correct a false impression I have perhaps given the Minister. What I am saying is that as of now when you are determining prevailing rates for government employees it is based on the rates of pay at the present time, whereas in the future it will have to be based on a medium or an average of what the anticipated rates would be over the next two years. Therefore, you have to catch up at least a year on the average.

Mr. BENSON: Yes. Here you are talking of prevailing rates.

Mr. MACLEAN (*Queens*): Yes, employees.

Mr. BENSON: In the case of classified civil servants they presently, in effect, do get a two year contract; because their wage rate is set with an escalation in the middle they will then have a two-year contract. When we move to collective bargaining prevailing rate employees will presumably be put in the same position. That is, about 25,000 prevailing rate employees will be in the same position as the 130,000 other employees of the civil service in that when their contract is signed the government will have to take cognizance of the fact that rates appear likely to increase over the coming year. But mind you, the pay research bureau will be available to both the employer and the employee and it will supply data on what is happening in outside industry in this regard.

For example, if you were recently in Montreal, there was a two year contract signed for bricklayers. This fact would be known to both the employer and employee parties so that if you are dealing with bricklayers you will know what bricklayers are getting outside; and, as a matter of fact, through the facilities of the pay research bureau—and I regard them very highly and I think everybody in the government does, as well as people throughout the country—data will be available in order to write a contract which will last a couple of years.

I think the situation will be better for the prevailing rate employees because they will know now what they are going to get for the next two years, and you will not have these fellows getting an increase now, taking a look outside and say, "Well this is based on data six months ago; it is unfair now"

and coming right back at you. I think it will provide much more stability in the prevailing rate area than we have ever had before—and, the employees should be a lot happier.

Mr. FORRESTALL: How many collective bargaining teams do they have? With this time lag I was just wondering whether the government is ever going to be able to catch up.

Mr. BENSON: I envisage we will have a permanent staff employed on collective bargaining. How many it will be I do not know. I could pick a figure of 100 people out of the air now.

Mr. FORRESTALL: Do you have about 100 now?

Mr. BENSON: No, but we will have.

Mr. FORRESTALL: You will have?

Mr. BENSON: I am sorry. In the total personnel policy division which will involve the people in collective bargaining as well as the people who are dealing with personnel policy throughout the whole civil service in the Treasury Board we will have about 100 people.

Mr. SMITH: Most industries have permanent collective bargaining.

Mr. BENSON: Oh, yes.

Mr. FORRESTALL: Where will you draw these men from? Will you essentially try to find skilled men in bargaining or will you try to bring them in and train them?

Mr. BENSON: We will get them through the Civil Service Commission based on qualifications that are necessary for the job. We have started building now. Doug Love is an example of the kind of people we are getting; he is going to be in charge of this section, and I think we are very fortunate to get him. My only hope is that they keep collective bargaining away from ministers!

The CHAIRMAN: Well, gentlemen, we seem to have finished with the questioning.

I know you would want me, as your Chairman, to thank the Minister and his officials for coming before us today, so I do so on your behalf.

Thank you, Mr. Benson.

● (10.56 a.m.)

Mr. WINCH: I would like to ask at this meeting, as I did at the last meeting, because I think the last meeting and this meeting go together, if we can possibly get a speed-up of the transcript of this meeting so we can put them together.

The CHAIRMAN: We will do what we can. It was rather difficult last time. The committees branch is rather plugged up with translation and so forth. I know the secretary will do what he can.

Our next meeting will be on Thursday at 9.30 in room 307, and it will be in camera.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON
NATIONAL DEFENCE
Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 6

THURSDAY, JUNE 2, 1966

FRIDAY, JUNE 3, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Mr. E. B. Armstrong, Deputy Minister; Brigadier L. E. Kenyon, Director General of Intelligence, and Staff Officers Group Captain A. F. Green and Group Captain B. H. B. Moffit.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, June 2, 1966.

(7)

The Standing Committee on National Defence met (*in camera*) at 9.30 a.m. this day, the Chairman, Mr. Groos, presiding.

Members present: Messrs. Carter, Deachman, Dubé, Éthier, Fane, Foy, Groos, Harkness, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, Lessard, MacLean (*Queens*), MacRae, Matheson, McNulty, Roch, Smith, Stefanson, and Winch (21).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Mr. E. B. Armstrong, Deputy Minister; Brigadier L. E. Kenyon, Director General of Intelligence and Staff Officers, Group Captain A. F. Green and Group Captain B. H. B. Moffit.

The Chairman welcomed those present, and he invited Brigadier Kenyon, assisted by Group Captain Green and Group Captain Moffit, to proceed with their planned briefing. The Committee was given an *in camera* briefing on Allied defence capabilities. Following the briefing, the members questioned the Minister and the members of his briefing team.

The Committee adjourned at 11.15 a.m. until Friday morning, June 3, 1966, when the meeting will be devoted to continuing discussion on NATO and the Air Division.

FRIDAY, JUNE 3, 1966.

(8)

The Standing Committee on National Defence met at 9.35 a.m. this day. The Vice-Chairman, Honourable Marcel Lambert presided.

Members present: Messrs. Carter, Éthier, Fane, Foy, Grills, Harkness, Hopkins, Lambert, Langlois (*Chicoutimi*), Lessard, MacLean (*Queens*), MacRae, Rock and Winch (14).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister and Mr. E. B. Armstrong, Deputy Minister.

The Committee resumed its consideration of the Main Estimates 1966-67 of the Department of National Defence. Under *Item 1. Departmental Administration etc.*, the members continued their questioning of the Minister, with particular reference to NATO and the role of the Air Division. Information was supplied concerning numbers of squadrons, types of aircraft and personnel

strength in the Air Division. The members were invited to forward, through the Chairman, any additional specific questions in this regard, which they may wish to have answered by the Minister. The discussion which followed included questions concerning air transport, continual defence, problems of production sharing, and future plans for the Air Bases and Brigade in Europe.

The meeting was adjourned at 11.00 a.m., on motion of Mr. Foy. The next meeting will be held on Thursday, June 9, 1966 and will be devoted to a briefing on integration and the reorganization of CFHQ.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

FRIDAY, June 3, 1966.

● (9.35 a.m.)

The VICE-CHAIRMAN: Order, please.

Because of the unavoidable absence of the chairman I will have to assume the chairmanship of this meeting.

When we adjourned our discussion on Item 1, some three meetings ago, there seemed to be some questioning remaining in connection with NATO and the air division. If there are any additional questions in that regard we will entertain them. The next item on the agenda put forth by the steering committee was the discussion on integration.

Mr. Brewin was questioning and he was the only one who indicated a desire to continue the questioning in so far as NATO and the air division are concerned. Since he is not here, and unless somebody has any pressing questions in that particular sector, bearing in mind that Item No. 1 is still open and that other questions may be put at a later date in regard to it, I would propose that we carry on with the next item on the agenda. That is the question of the integration and the re-organization of Canadian forces headquarters.

Mr. WINCH: Do I interpret your statement, Mr. Chairman, as being that since Mr. Brewin is not here, others who may have some questions on NATO should delay them and that they will be held over?

The VICE-CHAIRMAN: No; I would say that if you want to ask them now, that is fine. The only thing that I am suggesting is that you do not, merely to keep the subject open, ask questions this morning, Item No. 1 will remain open, and you may feel it better to defer your questions to another time.

I am in the hands of the Committee. If anyone wants to continue the questioning, that is fine.

Mr. HARKNESS: I had asked some questions, and I think the Minister was going to get the answers for them, in regard to the member of CF-104's in operation in the air division.

Hon. PAUL T. HELLYER (*Minister of National Defence*): First of all, Mr. Chairman, I am sorry, but I think there may have been some misunderstanding about this morning's meeting. I did not realize there was any possibility of going on to headquarters organization as well, and we are not prepared for that.

I apologize if there has been any slip, but it was on the schedule we had that it was a continuation of NATO, with the next meeting coming up being that on the integration of headquarters, which would be started off by a brief on the subject with questioning following.

Mr. HARKNESS: I had asked a question at a meeting—I suppose it was a week or ten days ago—on the number of CF-104's in operation in the air division, the total number of CF-104's we have, the number of squadrons and the number of 104's in these squadrons—and their equipment, of course, and their function.

Mr. HELLYER: The number of squadrons in Europe is eight. I am advised that the six squadrons in the strike role and non-nuclear attack, stationed at Baden-Solingen and at Zweibrücken, has 16 aircraft each and the two reconnaissance squadrons at Marville have 15 each, for a total of 126.

Mr. HARKNESS: How many 104's have we in Canada for training purposes?

Mr. HELLYER: Mr. Harkness, I have that figure somewhere on a piece of paper, but it is not right with me at the moment. We can get that figure for you.

Mr. HARKNESS: Have you the number that we have as replacements for losses?

Mr. HELLYER: There are still quite a few; but if you want the specific figures I am afraid we are going to have to get them for you. Perhaps we could phone and get those figures.

Mr. HARKNESS: While those figures are being secured, what is the total number of personnel presently in the air division?

Mr. HELLYER: Mr. Chairman, I do not have all the statistical information with me this morning. If you are going to get into this—

Mr. HARKNESS: Both for this purpose and for future meetings, I am concerned particularly to find out in this Committee how many actual fighting troops we have.

The purpose of the defence organization—the purpose of the entire set-up—is to provide fighting troops which will be available for the various roles which we have assumed under NATO, under NORAD, under the United Nations, and for the general defence of the country. As I say, what I would like to get at eventually in this Committee, as we go into the forces employed in these different roles, is the number of actual fighting troops; in other words, the people who are able to go out on the sharp edge and to do these jobs, as compared with the number of people who are in a support function, we will say, and performing an administrative function, and so on.

● (9.45 a.m.)

Mr. HELLYER: I think those are very good questions, Mr. Harkness, and well worth exploring.

Mr. HARKNESS: I might say at this point that I am concerned, and have been for some time, over the fact that as far as I can see the total number of, we will say, actual fighting troops that we have is now considerably reduced, and that the proportion of fighting troops to administrative personnel is down.

The general purpose of the whole integration operation, as I understood it, was really to reduce the number of administrative personnel and thus increase proportionately the number of fighting personnel, plus their equipment, and as far as I can make out I think the reverse has been the case.

Mr. HELLYER: First of all, I would like to deny the allegation—until we get the figures—because I think you will find when you get them that your allegation is not correct.

Mr. HARKNESS: This, as I say, is the sort of thing where it is no use just giving a general statement along this line. I think we have to get the actual number of people who are employed in these roles.

The VICE-CHAIRMAN: I might say here that if the preparation was for the discussion of the air division I find it a little difficult to see why this type of information is not available.

I would feel that in your assessment of the performance of the air division it would be possible now to say how many men it takes to maintain one Starfighter. Is the proportion 30, 35 or 40? Has it been improving, or is it increasing? This, I think, is what would interest the Committee. Is it possible for you at this time to make that kind of an assessment?

Mr. HELLYER: Mr. Chairman, if you would like statistics of that nature, if you could have the questions passed through you to us we would be pleased to provide any information available.

I have just been given an approximate figure for the number of people in the air division, which is 5,500.

Mr. HARKNESS: Of those 5,500 how many what you might call administrative and support personnel are employed in those roles?

Mr. HELLYER: Mr. Harkness, I think first that you would have to define what "administrative and support", is because with flying airplanes, as you know, if you are talking about the ratio of pilots to others it has always been the case that it takes a lot of men to keep an airplane in the air.

I think if you have some particular yardsticks that you would like us to apply we could get the information; but we would like to have the questions provided to us.

Mr. HARKNESS: That is an indication of some of the type of material which I think we should have here.

Mr. HELLYER: I think it has to be more specific than that. I do not think we can prepare a lot of information that is not specifically what you require because it will take a lot of work. We have a lot of things to do.

If you would write out a list of questions like this that you would like to have answered then we will get the information for you.

Mr. HARKNESS: In regard to the brigades this is the same sort of thing—I would like to know the number of people in the infantry battalions, the artillery regiments, engineer companies, or company, and so forth.

Mr. CARTER: Could I ask a supplementary following up the question that Mr. Harkness has raised. I presume what Mr. Harkness wants is a comparison of the Starfighter with the machine we had before the Starfighter. Even if the Starfighter required more men to keep it in the air than the former type of plane we would want some comparison of fire power of the two types of equipment. It would be in terms of fire power, really, that we are asking.

Mr. HELLYER: It depends, Mr. Carter. You can take almost any criteria you want; you have to be a little careful in your selection. If it is in terms of fire power the comparison, I think, would be rather staggering. In addition this is information that we could not give.

Mr. CARTER: But could you get a true picture without that? That is what I am driving at.

Mr. HELLYER: Not really, no.

The VICE-CHAIRMAN: Mr. Hellyer, in that regard, is it not a fact that your own people have criteria and an assessment which are based on experience between what you would call the fighting personnel and those who will make up what you might call the administrative and supply tail? This has always been something that has been of concern and knowledge within the Department of National Defence. I am sure that your officials and the members of the defence forces certainly have these criteria very well defined.

I think Mr. Harkness and other members of the Committee would be quite prepared to accept your criteria, as long as the criteria is defined.

Mr. HELLYER: If you would like to leave it to us we will prepare some information of a comparative nature; but where there are specific things you would like to know if you could tell us what they are it would assist us.

Mr. HARKNESS: I have already indicated some of the specific things as far as the brigades and the air division are concerned.

Mr. WINCH: Mr. Chairman, I have a supplementary. Due to the fact that we are discussing the air division and, therefore, its equipment, there is what I think is a supplementary question which I would like to put now. I realize—we all do—that the Minister and the associate minister cannot be at all our meetings and because this is a Defence Committee of the House of Commons, I would hope that the Minister could inform us on what I consider an urgent and important matter.

I refer to the fact that it is my understanding that directions to defence production on the obtaining of air equipment can come only as a result of a directive or a policy decision from the Department of National Defence. That being so, could we have an explanation of a most unusual situation in the House of Commons the other day where questions were directed to the Minister of Defence Production on whether negotiations were going on for the acquisition of the plane known as the Mystere? The final answer that was given in the House of Commons by the Minister was that certain discussions were taking place and were almost at the point of hatching. This was a statement made in the House of Commons.

This is a Defence Committee. We would like to know just what this is all about?

Mr. HELLYER: The answer to that question, Mr. Winch, was given in the House of Commons in reply to a written question, where the planes were described in some detail.

Mr. WINCH: Followed by verbal questioning and that is when we got the answer. This was on the verbal questioning on orders of the day. The discussions were going on and at the point of "being hatched".

As members of the defence committee I think we would all like to know what this is all about? What does it replace? Is it on order? What is it for?

Mr. HELLYER: The answers to the questions you are asking now were given to the written question in the House.

Mr. WINCH: Can you explain what is meant by the answer of Mr. Drury "that it is about to be hatched"?

Mr. HELLYER: That means that the contract is about to be signed.

Mr. WINCH: Can we have some more specific information from you, sir, as Minister, on what this is all about—the numbers, its use, what it will replace and when we will have delivery.

Mr. HELLYER: The answers to all of the questions except the one on delivery—which I cannot answer yet because I do not know—were given in the written reply.

Mr. WINCH: I have one further question on that. I am sorry . . .

The VICE-CHAIRMAN: No, no, this is a matter of relevance. They do not go into the air division. They are not in operation—

Mr. WINCH: This is a transport communications aircraft?

Mr. HELLYER: That is right.

Mr. WINCH: Are they not used in your division in some way, on transport, or is it strictly on the mobility of the army?

Mr. HELLYER: No, this is strictly a transport aircraft for use in North America.

Mr. WINCH: Could I ask one further question? While it is being used wholly as a transport, it will be part of our air force. Is any reconsideration being given, in view of your statement that a contract is about to be signed, to the unusual and unique situation where six have crashed?

Mr. HELLYER: First of all it is a different airplane.

Mr. WINCH: It has the same name, I understand.

Mr. HELLYER: Well it is the same company.

Mr. WINCH: It is the Mystere, is it not?

Mr. HELLYER: Yes; but it is just like saying a Lockheed C-5 is the same as the Lockheed Lodestar. They are made by the same company but they are different airplanes.

This is a jet utility transport which is being acquired by the air force to replace part of its existing transport fleet.

We are taking out of service a number of Cosmopolitans because they are too expensive to operate; and a number of Dakotas, and replacing them with a smaller number of the Falcon, which is otherwise known as the Mystere II.

Mr. WINCH: And where does the Yukon tie in on that?

Mr. HELLYER: The Yukon is to the Mystere what the Queen Mary is to a row boat, almost, or to a torpedo boat, I guess. The Yukon is a long range, large, transport aircraft. The Falcon, as it is known, is a medium range, fast, relatively small, jet transport aircraft.

Mr. WINCH: This brings in a matter of the general policy which you have established—and told us about often—of mobility. On what basis of decision are

you now going to obtain this transport which is not long range and which will mean mobility only in North America and not outside North America?

Mr. HELLYER: This particular aircraft is required for administrative mobility, as against tactical mobility. In other words, it is not for transporting troops on the battlefield; it is for transporting commanders and inspectors about their commands, to exercise their administrative responsibilities.

Mr. WINCH: In the interests of administrative responsibilities could you tell us how many of these you have decided to request?

Mr. HELLYER: We are acquiring seven. This is a very substantial reduction over the number of planes that it replaces and produces a very considerable saving in operation and maintenance costs.

There are many advantages to the Falcons over the planes that they replace. First of all, the speed is very much greater and this means that we can keep the planes in a central pool thereby reducing the maintenance costs; and when transport is required by one of the commanders a requisition can be placed to the pool and the transport supplied.

Also because the planes are so fast it is possible for crews to go to undertake the journey and to return the same day within the allotted flying time. This has not always been possible in the past where the planes were slower and where the number of flying hours exceeded, in many instances, the maximum allowed by air force regulations. The introduction of this utility jet into the fleet is quite a step forward, in that it will speed up administrative communication and will thereby facilitate the management of the force and, at the same time, save a very considerable amount of money in so far as annual operation and maintenance are concerned.

● (10.00 a.m.)

An hon. MEMBER: At what rate of speed do those planes travel—600, 500. . . ?

Mr. HELLYER: I would be guessing if I said 520 knots, or something like that, but it is not too far off. An estimate would be 575 miles an hour, or something like that.

The VICE-CHAIRMAN: I have a supplementary question, Mr. Hellyer. Would these planes be available for general government use as well?

Mr. HELLYER: They would not, under ordinary circumstances, be used for the government.

The VICE-CHAIRMAN: They are an executive type of jet transport?

Mr. HELLYER: That is correct.

Mr. HARKNESS: You say that they are to replace the Cosmopolitan. The Cosmopolitan is a totally different type of plane. The passenger capacity of the Cosmopolitan, as I recall it, was about 30 to 40 personnel plus a considerable cargo-carrying capacity, with a side door loading facility. This plane, as I understand it, is as the Chairman has said, a small executive type plane with a passenger-carrying capacity of some eight or ten, or something in that neighbourhood, is it not?

Mr. HELLYER: The records of flights carried out by the Cosmopolitans were examined, and it was determined that a very large proportion of the flights

involved only a small number of passengers. On the basis of this information it was estimated that a small plane of the type of the Falcon could fulfil the mission in a very high proportion of the cases at a lower operating cost per mile and at a much higher speed.

Therefore, it was simply on the basis of the experience of the flights on which the Cosmopolitans and the Dakotas had been previously used that it was obvious that an advantage in both speed and cost could be obtained by acquiring the other aircraft.

Mr. HARKNESS: But, as I say, the functions of the two planes are entirely different.

Mr. HELLYER: The function of the plane is what it is used for. If you are talking about capability, the capability is different; but the function is what it is used for; in this case the function for which the new planes will be used is a function which was previously carried out by the Cosmopolitan.

Mr. HARKNESS: It was carried out by Cosmopolitans, by Dakotas, and by various other planes depending, I presume, on what was available.

Mr. HELLYER: That is right; but specifically carrying passengers, and in many cases fewer than ten.

Mr. HARKNESS: But the thing was that the Cosmopolitan was essentially secured as a troop-carrying and cargo-carrying plane. This plane is a totally different plane; in other words, it does not replace the Cosmopolitan. It replaces the Cosmopolitan as far as some of the uses of the Cosmopolitan are concerned, but nevertheless they are two quite different types of planes—quite different in, we will say, their function and what they are built to do.

Mr. HELLYER: I think it is true that the planes are quite different but the function—what they will be used for—is the same. I think you will admit, Mr. Harkness, that the requirement for the Cosmopolitans at the time they were acquired was pretty fuzzy. As a matter of fact it took some real ingenuity to find places to use them.

What we are trying to do is to rationalize the situation a little bit and to dispose of an excess which is not really required; to keep enough to provide transportation when larger groups are required for scheduled flights and for special flights where the numbers of people involved are 25 to 40, but to use the more economical and faster aircraft for the large number of flights where only a small number of passengers are involved.

So far as cargo-carrying is concerned, although Cosmopolitans are used for this to some extent, it is not to a large extent, and we have more efficient cargo-carriers than the Cosmopolitan.

Mr. HARKNESS: You have larger ones in the Hercules and in the Yukon, but for, we will say, relatively smaller amounts of cargo this was supposed to be one of the functions of that plane.

Mr. HELLYER: For smaller amounts of cargo and short flights the Caribou is more efficient, too.

Mr. HARKNESS: I think that some of the experts in the air lines would perhaps argue this considerably, but I will not go into that.

Mr. HELLYER: Experts in air lines might.

Mr. Foy: I have a supplementary to follow through on Mr. Harkness' questions. I was wondering what use is to be made of the Cosmopolitan, or these other planes the Falcon is replacing? Do they carry on for cargo and for the movement of what you might call lower personnel?

Mr. HELLYER: I do not have the actual breakdown between personnel-carrying and cargo-carrying. Perhaps the deputy minister knows.

Mr. Foy: What I really mean is: Are they going to be kept in the service for a purpose of some sort?

Mr. HELLYER: The ones that we are keeping will be used primarily for passenger service and primarily on scheduled runs where 25 or more passengers are involved—or actually more than ten, I should say; whatever the smaller airplane will not do.

Mr. MacLEAN (Queens): Is it proposed to retire completely the Dakotas 'the DC3's— from the air force when the Falcon is acquired, or will some Dakotas still be retained?

Mr. HELLYER: No; just a certain number are being retired because of the Falcons.

The VICE-CHAIRMAN: On that particular line, in your communication section between Ottawa and Trenton, for your scheduled flights—that would be on the basis of using the Dakotas and the Cosmopolitans, or even a shuttle service; and the same thing with the Marville to London scheduled flights?

Mr. HELLYER: Marville to London scheduled flights remain Dakota. The one here I cannot tell you offhand.

Mr. WINCH: Could I ask just one more question as a supplementary? The Minister said that one advantage is that they can have them in a central pool. Our country is in the neighbourhood of 4,000 miles wide. You have your headquarters all across Canada; where would this central pool be?

Mr. HELLYER: In Ottawa.

Mr. WINCH: In Ottawa? That is 3,200 miles from Vancouver.

Mr. HELLYER: Is it? One of the planes would go up there pretty fast if required; and they will normally operate from the various headquarters to the subordinate headquarters and bases of the commands.

Mr. WINCH: Are you having to establish special assembly and repair in Ottawa or would this be available at a lesser expense under your present accommodation or personnel and equipment?

Mr. HELLYER: We have the facilities here and a smaller number of maintenance people are required after the changeover.

Mr. LANGLOIS (Chicoutimi): I have a supplementary, Mr. Chairman. How old would those Cosmopolitans and Dakotas be, Mr. Hellyer—roughly?

Mr. HELLYER: Roughly, I think most of the Dakotas were acquired during the war and early post war; and the Cosmopolitans—perhaps Mr. Harkness can answer that question.

Mr. HARKNESS: The Cosmopolitans came into the service in 1960. Is that not right, Mr. Armstrong?

Mr. WINCH: Could I ask what is considered to be the average mileage life of the Cosmopolitan?

Mr. HELLYER: I think I saw an estimate of 10,000 flying hours for the airframe, which means that they will last for years and years and years. That figure is subject to correction, but I noticed it was a very long life-expectancy for the airframe. The engines in the Cosmopolitan were not satisfactory, however, and the airplanes we are keeping in the fleet are being re-engined at the present time.

Mr. WINCH: With the same engine or with a new engine?

Mr. HELLYER: No, with a different engine.

Mr. LANGLOIS (*Chicoutimi*): What are those, turbo-props.

Mr. HELLYER: Yes, that is right.

Mr. LANGLOIS (*Chicoutimi*): And the Dakotas are straight air-cooled, old-type engines.

Mr. HELLYER: Yes.

The VICE-CHAIRMAN: Well, gentlemen, we have gone into the Mystere aircraft, which is somewhat removed from NATO—

Mr. WINCH: What is a lot more important, sir, is being told in the House of Commons that something is being hatched, without knowing what kind of an egg it is going to be, or what is going to be produced out of it.

The VICE-CHAIRMAN: In the air division, are there any more questions in the area of NATO or in the area of the use or the future of the air division?

Mr. LANGLOIS (*Chicoutimi*): Mr. Chairman, I would like an answer on what is the future in air transport? Are we still going for more turbo-jets, or are we looking forward to full jets, or something like that? Are there studies being made on that?

Mr. HELLYER: The trend is very definitely towards jets, but there are still very efficient turbo-prop aircraft available, and it depends a little bit on the mission. A jet airplane, to achieve economies of fuel, has to fly at a relatively high altitude; therefore, in determining the operational characteristics, if you have long enough flights to require or to permit the advantage of high altitude, jets are very efficient. If, on the other hand, you are flying at low altitude they consume a very great amount of fuel and they are not as efficient as a turbo-prop.

You really have to define the specific requirement before you can say which form of propulsion will meet it most economically; but I think my general

statement stands that the trend certainly in long range transport is in the direction of jet propulsion.

Mr. LANGLOIS (*Chicoutimi*): With the new mobile force, if you are to operate from one or two points in the world, and you want to go anywhere in the world, that is long distance; you would have to turn to full jets then?

Mr. HELLYER: This may be true. The airplanes we now have are very long range. The Yukons and the Hercules, are very good airplanes.

Mr. LANGLOIS (*Chicoutimi*): Yes; but they are not that fast.

Mr. HELLYER: They are very good airplanes but they are not as fast as jets.

There are some new airplanes that we are looking at. For example the C-5, being manufactured in the United States now for use by the United States air force and for the United States army, is the biggest jet transport in the world, and it will be a very efficient carrier.

I think we are quite right about the trend, but there are still cases where the turbo-prop is quite efficient.

Mr. CARTER: While you are on that technical information, is there such a thing as a turbo-jet and, if so, how does that compare with the turbo-prop in use and characteristics? Is there such a thing? Is the turbo-jet the same as the turbo-prop?

Mr. HELLYER: Yes.

Mr. CARTER: They are different from a pure jet, but they are synonymous.

Mr. HELLYER: I think they are, if my memory serves me correctly.

Mr. CARTER: I seem to remember the term, but when you talk about "turbo-prop" it sounds wrong.

Mr. HELLYER: It is a particular type of engine with a propeller on it.

Mr. ROCK: The two aircraft that you are about to purchase, or hatch, are jets, are they?

Mr. HELLYER: The Falcon is a jet, yes; a pure jet. Actually it is a fan jet, which is just another variation; it has a fan which increases the air pressure in the engine and thereby achieves a greater efficiency.

Mr. MACLEAN (*Queens*): The equipment of the air division in Europe, it is true, has not been in service very long, but considering the long lead time from planning to actual re-equipment of forces, is there anything you can say at this time on planning for the future for the next generation of equipment for the air division, or any other of our squadrons—and it is operation squadrons I am thinking of now, not transport?

Mr. HELLYER: First of all, we have not accepted any commitments beyond those which now exist and therefore you would have to start out by deciding what you want to do.

There is a considerable amount of discussion at the present time as to what we might do in the years ahead, but no decisions have been taken.

This Committee could have views on the subject, and should express them, because we would be interested in knowing what your views are as to the types of roles and missions that we should undertake in the years ahead.

Once a decision has been taken I think, from experience, you need about four years' lead time for re-equipment, and that means that we should take a decision probably not later than 1970, perhaps a year or two sooner, in so far as the future re-equipping of the operational squadrons is concerned.

The present operational squadrons in both air defence and the air division will continue until the 1970's; perhaps spread over a three or four-year termination period in the 1970's.

Mr. MACLEAN (*Queens*): This leads me to what I am really trying to get at, I guess. How much time remains for us before new decisions have to be taken to meet possible future roles?

Mr. HELLYER: If you mean by that, Mr. MacLean, giving contracts for new hardware, I would say three or four years, before the decision has to be taken.

Mr. MACLEAN (*Queens*): There must be a lot of planning.

Mr. HELLYER: We will have to give it some planning in the meantime, and perhaps even enter into developmental projects on a co-operative basis with some of our allies, to explore what might be available; we have to determine what the state of the art will be in the mid 70's. But if you are talking about the time at which the hard decisions must be made, I would say three or four years.

Mr. MACLEAN (*Queens*): The operational aircraft that is being used by the French air force at the moment is the Mystere, is it not?

Mr. HELLYER: I think it is a Mystere IV, is it not?

Mr. MACLEAN (*Queens*): I believe this is the aircraft that is in production in Australia for the Australian air force. Has any consideration been given to the possible usefulness of this aircraft for the RCAF or any of its upcoming—

Mr. HELLYER: We did examine it at the time we were looking at tactical aircraft and decided not to acquire it. It is primarily a tactical bomber. The French are using it in the strike role; in other words it is part of the Force de Frappe. We felt that it was heavier and more sophisticated than we required at this particular time.

We also feel that by the time we do need to replace the airplanes in our operational squadrons, there will be airplanes more advanced in the state of the art than the Mystere IV.

Mr. LANGLOIS (*Chicoutimi*): Mr. Chairman, could the Minister tell us if there is any consideration being given to the acquisition of two or three CL-84 tilt wing planes?

Mr. HELLYER: Yes; the suggestion was made that we might acquire two or three for tactical evaluation. We looked into this very carefully, and we feel that the airplane needs more technical evaluation first. In other words, it is a concept; it needs more testing before we reach the stage where we should do a tactical evaluation.

At the present time a joint group of the Department of Industry and the Department of National Defence is studying the whole problem in order to make some suggestions or recommendations in respect to it. To develop a plane with tactical possibilities that we might be able to use in the armed forces would be a very expensive proposition, and consequently we want to explore the possibilities very thoroughly before proceeding any further, or spending any more money on the project.

It will be a very difficult decision because this technique shows some promise; but to give you a little better picture I think I should indicate that there are very real problems yet to be solved in getting enough lift for vertical take-off to pick up a real load, and unless you can pick up a pretty heavy load then all you can really do is use it as a short take-off and landing aircraft, where we already have some pretty well developed models. We have helicopters which have a vertical take-off and we have airplanes which have short take-offs and landing but we have not yet developed this new technique to the point where it will do both jobs efficiently. We may, in time; this is what we would like to try to decide; but there are some very real technical problems to be overcome.

The VICE-CHAIRMAN: Mr. Hellyer, I have a supplementary and related question here. I am interested in what you said about the evaluation.

I take it that there is a difference in policy between the United States defence department's practice and that of the Canadian defence department practice, in that the United States forces will buy items of equipment and evaluate them themselves—they will put them through their paces; whereas there is a tendency in Canada to make the manufacturer and the developer of the equipment put it through its paces. Is that an assessment of the situation?

Mr. HELLYER: I do not think it is quite accurate. Perhaps Mr. Armstrong would like to add something. We certainly have provision now for buying equipment for evaluation when we want to do that. What is really involved here is a new concept where considerable technical development and check-out is required before we can accept the concept for tactical evaluation.

The United States forces may do both; I do not know; they probably do.

Mr. LANDLOIS (*Chicoutimi*): I do not want to pursue this because it can be done under another item.

Mr. HELLYER: Mr. Armstrong confirms that we normally buy our equipment to evaluate.

The VICE-CHAIRMAN: I have some questions in regard to helicopter trainers and simulators where this does not seem to be the policy, but this is not the place to bring in that question.

Now, Mr. MacLean, you were questioning and there were some supplementary questions have you finished?

Mr. MACLEAN (*Montréal*): I had a supplementary which has perhaps, opened a fairly large concept. As far as the future of our forces is concerned—I am not thinking now of specific hardware but the philosophy of defence in the future—are we concerned with this directly, or are we dependent on larger countries such as the United States to develop concepts of future defence trends, in an defence especially? I am thinking of such things as the defence of North

America where when the bomber threat phases out—if it does—manned aircraft will have very little use, I would think, except possibly for interception and identification; but in a fighting role their use will diminish; they will have no use against long range ballistic missiles, I would think.

Then there is also the concept of the situation in Europe where, some time in the future, manned aircraft for defence roles may be replaced by developments of surface-to-air missiles or surface-to-surface missiles where the role of manned aircraft will diminish. I am thinking of the next stage equipment or perhaps even a stage after next, the second stage from now, depending on what the philosophy is.

Do we, as a country, undertake studies in this regard, or do we wait to see what the developments are in other countries and then take advantage of what their experience has been? Are we dependent entirely on other countries for these developments which may, in one sense, be considered rather far out at the moment, but nevertheless will be coming up in the future.

Mr. HELLYER: First of all, on the question of philosophy and strategic appraisal, we are now doing this ourselves. As a matter of fact we are turning in the direction of doing more independent thinking. I think this is right because if you depend too heavily on the thinking of others you might easily find yourself following policies that you did not really agree with if you stop to think them through. Therefore, we are giving more consideration to these larger matters than I think has ever been the case in this country before.

In so far as equipment development is concerned, as in the other matters, too, we have to watch very closely what other people are doing. We are a relatively small country and therefore cannot possibly do all of the things that are required. We have to rely very heavily on exchanges of information. We have excellent working relations with our allies, and they tell us what they are doing and we tell them what we are doing so that we can get the maximum benefit from their developments.

Specifically, in so far as anti-bomber and anti-missile systems are concerned, this is one area where what we do is very considerably affected by what the United States does.

In the white paper we stated that in so far as continental defence is concerned you cannot really divide up the north half of the continent strategically. I think this is correct. Therefore, we look at the continental defence from the standpoint of strategic unity, and if the United States, for example, decides to deploy an anti-missile missile system this makes an anti-bomber defence system more important. If their decision on the anti-missile system is negative then the anti-bomber defence becomes relatively—and I underline the word “relatively”—less important, because of the megatonnage which can be delivered by missile.

I do not agree completely with your proposition that we would only use manned aircraft for surveillance. However, if a potential enemy maintains its bomber fleet, certainly interceptors are one very flexible form of anti-bomber defence, and will probably continue to the extent that anti-bomber defences are relevant.

Mr. WINCH: May I ask a supplementary on this in view of the Minister's statement on continental defence? It is a question I have never heard asked and have never, of course, therefore heard an answer.

On continental defence what is the position of Mexico, Panama—Mexico in particular—as related to continental defence, with the United States? It would not be with Canada I presume, it would be with the United States.

With the information we were given— I am not going to mention it because it was in camera—on the number of submarines and the missiles on submarines of a potential enemy, with their range—on continental defence where does Mexico tie in?

Mr. HELLYER: I think I would prefer to take that question as notice, Mr. Winch.

Mr. MACLEAN (*Queens*): I have one supplementary question, Mr. Chairman.

Would you agree that the time has now passed where Canada might contemplate developing any defence system on its own, or any highly sophisticated aircraft? My own view is that the time has long since passed when we, as a country, would be able to develop a modern, sophisticated aircraft if it was contemplated to be used only for our own forces.

● (10.30 a.m.)

Mr. HELLYER: Mr. MacLean, first of all you asked if I agreed that we should not develop any defence systems. I guess to be more precise we are, in fact, developing weapons systems, and the hydrofoil is one excellent example. This has a range of cost well within our national capabilities.

I agree with you that we would not undertake the unilateral development of a sophisticated airplane specifically for our own needs, unless our own needs were much greater than they are at the moment, or than they are contemplated. It is just not economic to do so.

If there was an agreement with one or more of our allies to participate in the development, and the requirement, then it might be economically feasible.

Mr. MACLEAN (*Queens*): I did not want to leave the impression that such things as the hydrofoil development might be in this category. I specified a highly sophisticated aircraft.

Mr. HELLYER: Yes; you focus attention, I think, on one problem that we were discussing just a few moments ago, and that is the vertical take-off, where we have developed a prototype, largely in co-operation with the United States, which has been very successful so far. But to take that prototype and develop it into a fully operational aircraft with sufficient carrying capability may be beyond our national capability unless we have the co-operation of some other government: because it would be pretty expensive related to our requirements alone.

Mr. MACLEAN (*Queens*): I agree with that.

This trend makes it more difficult, in my judgment, for smaller countries in a treaty organization like NATO, to divide the expense fairly between the smaller countries and the larger countries, if the larger countries are going to be the prime producers of armaments, unless there is a great deal of attention given to production-sharing in some form or other. To me this has been one of our great problems over the years.

If you consider the situation 30 years ago, when even a small country could develop what was in those days a highly successful type of aircraft, it had a

good opportunity to do so if it was really on the ball, with the possibility of being able to supply this in large numbers to some of its allies. As time goes on this becomes more and more of a one-way operation, where the development of new equipment is beyond the capabilities of the smaller countries and they have to depend on development in one or two large countries, and they end up by being a purchaser of this equipment, if they are going to have modern equipment at all for their armed forces. This creates, in my mind, a very great problem of fair division of costs for military equipment to the smaller countries vis-a-vis the larger ones.

In a large country like the United States which can undertake the development of highly sophisticated military equipment, or, even going further, such developments as, for example, what is going on at the moment in communication and transportation to the moon, this is the sort of thing that we would not contemplate at all; But countries like the United States and the U.S.S.R. do undertake this sort of thing. There is a tremendous fall-out, from a developmental point of view, to industry generally, which puts them in an increasingly superior position as compared to a smaller country which is not in a position to do this sort of thing. This produces economic problems which have a far greater effect than the direct military problem, or the pseudo-military problem which is the prime reason for these developments in the first instance.

Mr. HELLYER: You are quite right. You have put your finger on some very important problem areas.

It is becoming increasingly difficult for small nations to participate and to do their fair share. We, in Canada, have been very fortunate to have a production-sharing agreement with the United States, and this enables us to offset the cost.

But it is more than just a question of cost. One reason we are able to offset the cost today in the production-sharing arrangement is because we have the industrial capability; a great deal of that industrial capability is an indirect result of development which has previously been done in this country. I, for one, think that if you did not do any development work over a period of time you would lose a considerable amount of the technology required for production sharing agreements and that the day would come when it would be difficult if not impossible to offset costs. When that day came you would not be able to maintain the balance and therefore to do your fair share.

For this reason I have stated publicly—and this is a matter of government policy—that we want to do everything we can to do as much development work in this country as we can, and we have been seeking agreements with the United States to do research and development in Canada.

We have, in accordance with the policy laid down in the white paper, been increasing slowly but consistently the amount of Canadian money we have been spending on research and development both in relative and absolute terms.

This is because we agree with your premise that we must do a fair amount of research and development in order to maintain an industrial base which is sophisticated enough to engage in production-sharing agreements.

This is a problem which is difficult for us and even more difficult for some other countries, and will probably become increasingly important in the years ahead. We feel that the United States and some of the major partners in the Alliance will have to recognize the necessity of sharing not just production but

also research and development in the Alliance in order to keep a broad industrial basis for future production-sharing.

MR. MACLEAN (*Queens*): In other words, if one country is excluded from developmental work its industrial potential becomes obsolete very quickly.

MR. HELLYER: This is true; and either they would have to have a complete outflow of foreign exchange in order to maintain a military force, or stop maintaining a military force, which in many cases is an unacceptable option.

MR. MACLEAN (*Queens*): I am sorry for having taken up so much time on this point.

THE CHAIRMAN: Are there any other questions on the area of NATO and the air division. We have about fifteen minutes.

MR. HARKNESS: To revert to the air division: Has any decision been reached, in view of the fact that we have to remove the Marville and Metz bases from France within the next year, on whether it is practical to accommodate them at the two remaining bases in Germany, or whether it will be necessary to secure one or two new bases in order to enable the air division to operate effectively?

MR. HELLYER: Mr. Harkness, there are a number of possibilities but there are many factors involved and some of the possibilities are more acceptable than others.

As I indicated before, this whole question is under study by the government and the policy has not yet been determined. I hope a decision can be taken fairly soon, so that we can make our plans and advise the personnel involved what we propose to do.

MR. HARKNESS: On the specific question, however, have any studies determined, up to date, whether the air division could operate actively from only two bases?

MR. HELLYER: The answer to that is a relative thing. The concentration of that many airplanes on two bases, in my opinion, is too great.

MR. HARKNESS: That is the very point I am trying to get at and what I am coming to: whether this is really a practical possibility or not. I would not think it is.

MR. HELLYER: It is a possibility.

MR. HARKNESS: I would not think it is practical.

MR. HELLYER: Now you are getting into the element of judgment, and I do not think there is any disagreement here. You could not locate them on those two bases without considerable additional capital expenditure.

MR. HARKNESS: And considerable additional risk.

MR. HELLYER: And considerable additional risk. It could be done, but I think you would have some real reservations about whether or not it was desirable from both the military standpoint and the standpoint of effectiveness.

Other alternatives equally involve elements of judgment. The possibility of locating the squadrons in other bases has been looked at, and there are a number of alternatives. The possibility of reducing the size of the air division is an option. All of these things have been studied, are being currently discussed, but no policy decisions have yet been taken.

Mr. MACLEAN (*Queens*): I have a supplementary question, and I should perhaps know the answer to this. What is the bookkeeping situation in the case of the bases which we will be required to abandon in France? Who owns them, from a financial point of view? Will there be any crediting to Canadian assets of the abandoning of these bases and, conversely, who pays for the infra-structures where the two additional bases are required?

Mr. HELLYER: I will let the deputy minister answer that question.

Mr. E. B. ARMSTRONG (*Deputy Minister, Department of National Defence*): Sir, I think the only thing I can really say is that none of these questions has been settled yet. The bases have been partially built through infra-structure cost and partially built through Canadian expenditures.

The land, of course, is provided by the host country, and generally under the agreements the buildings that are movable property revert to the host country when abandoned. The question what will come out on the bill after all of this is discussed, I do not know, frankly.

Mr. MACLEAN (*Queens*): These bases obviously will revert to France when they are no longer occupied by other countries; but in the original agreement is there any requirement that some payment be made by the host country on taking them over as assets which accrue to the host country?

Mr. ARMSTRONG: To my knowledge there is nothing specifically of that nature in any of the agreements, that I know of.

Mr. HARKNESS: I think the point there, Mr. Armstrong, or one of the important points, is that the agreement was until 1969, and we are being required to move out of those bases two years before the agreement terminates. Therefore, we should be entitled to compensation, because we have to make that move.

Mr. ARMSTRONG: I think this is one of the points that has to be discussed eventually. The agreements, as you say, did provide for the duration of NATO. They did have a clause that provided for termination by mutual agreement, as I recollect, with one year's notice.

Mr. HARKNESS: I have finished on that particular point.

Mr. WINCH: Mr. Chairman, Mr. Harkness has asked the first part of the question I intended to put. Very briefly I will put the second part, and, in view of the time, without the introduction I was going to make to it.

Could I ask the Minister if serious consideration has been given by his department and by the government to the possibility, or advisability, of withdrawing our brigade group from Europe in view of the expense of it to a country the size of Canada by population, and the real contribution, outside of

morale, that can be made by an approximate 14,000? Has serious consideration been given to this?

Mr. HELLYER: I would say not at the present time, Mr. Winch.

This question was very thoroughly gone into at the time the white paper was written, and the government took a decision to leave the brigade group in its present position.

As the commitments are renegotiated all of these matters come under discussion, but I would not want to answer your question in such a way that it would give the impression that serious consideration was being given to this at the present time.

Mr. WINCH: Here is my supplementary on that, and I will make it very brief, sir.

This runs out in 1969, does it not—our agreement?

Mr. HELLYER: Are you talking about commitments?

Mr. WINCH: On the maintenance of our brigade under NATO in Europe.

Mr. HELLYER: The actual commitment is now on a one-year basis, pending renewal for a longer period.

Mr. WINCH: But you say it is not being given serious consideration at the moment. That is the very point I would like to make. I would have made an introduction, but I will just make it a statement now: This is the defence committee of the House of Commons. Unfortunately, from my point of view, this committee as a general rule is given a statement of policy which is a *fait accompli*. In matters of this seriousness, even if we had to meet in camera, is it not possible for this committee to get prior information and to have a prior discussion so that we can, on the basis of that, before it is a *fait accompli*, express to the Minister and the government the views of this committee?

Mr. HELLYER: Mr. Winch, I have been disappointed in the discussion today. Today was a perfect opportunity for members of this committee in discussing NATO to give the government some indication of what it felt we should do in the years ahead.

I have indicated that the commitments are now on a short term basis. It was stated in the House of Commons that they are up for renewal and renegotiation in so far as the future is concerned. The question has arisen as a result of the French action affecting the headquarters and the base at Marville. The whole subject is under general discussion and consideration by the government at the present time. This is a perfect, golden opportunity for any member of the committee to state an opinion about what course he would like the government to consider in so far as future years are concerned.

I must mention this because in a few weeks, or soon, the government must make policy decisions. It will announce them. I suspect someone will then say, "Here we are presented with another decision." The decisions have not been made yet and now is the time, if you have any point of view that you wish to express, either individually or collectively, to put it forward. I do not guarantee that it will be accepted because the government cannot abrogate its respon-

sibilities, as I have indicated before, but it will be considered, and any point of view which is expressed I can assure you will be listened to with interest.

Mr. WINCH: I want to be absolutely fair, and I think you will agree that first of all this committee has got to find out what the government is doing and how it is thinking. In view of your statement now, which I appreciate very, very much, Mr. Chairman, I would like to suggest that if there is any possibility at all in the immediate future there be special meetings of this committee for the purpose of accepting the invitation of the Minister and making recommendations prior to the decisions which he has said are going to be made in a few weeks as regards our air division under NATO and the equipment of it.

Mr. HELLYER: Mr. Winch, you know what we are doing; you know what the present commitments are. I cannot tell you what we are thinking because I am not at liberty to do that. There are certain rules in respect of cabinet and interdepartmental discussions on these matters.

I have indicated in a general way some of the options open. But you can say what you are thinking and what you would like the government to consider, and this is the time for you to do so.

Mr. WINCH: Mr. Chairman, I very seriously make that recommendation that we give thought to an *in camera* meeting as early as possible—

Mr. HELLYER: It does not have to be in camera, Mr. Winch. Put it on the record. Tell us what you want us to do and make recommendations direct.

The VICE-CHAIRMAN: Mr. Hellyer, there is a difficulty there, in that while members may make individual recommendations on the record, discussions and so forth a committee report, or recommendation certainly would not result from a public discussion.

Mr. WINCH: We could make direct recommendations as a view of this committee.

The VICE-CHAIRMAN: The views of this committee will be expressed after discussions by the committee behind closed doors. That is mandatory.

Without getting into the argument, I think that it is also incumbent upon the members to inform themselves as well as possible in order to arrive at recommendations.

Immediately there comes to mind Mr. Harkness' question, for instance, this morning, on the strength of the tail that is behind the body, which is very important, and yet we have not got that information, we have not been able to. We will get it.

Mr. HARKNESS: For the record, I would just like to say that I take the exact opposite point of view to Mr. Winch as far as the maintenance of the brigade in Europe is concerned. I think that in order to maintain NATO as a working and viable alliance, it is essential for us to play a part consonant with our population and our economic strength and so forth, and that this makes it necessary, if the other members of NATO are going to believe that we are fully committed to that alliance and are paying our fair share in the mutual defence of the west, that we do maintain forces there.

Mr. WINCH: And that is the very reason, sir, for my suggestion of a meeting, because I know, without mentioning names, two of your own party colleagues on this committee who take exactly the opposite point of view to what you do. That is the reason for a committee recommendation.

Mr. FOY: The only thing I wanted to say in this connection is that I have heard a great deal of the same kind of talk that Mr. Winch is now bringing forth, and I would be interested in knowing why they take this stand to withdraw the brigade and forces from NATO. I just heard them say we should bring them out but I have never heard any reason.

I agree with Mr. Harkness that we have to continue our commitments and act like a country that is a member of NATO. I would like to know why? It is all right to make these statements to pull them out but we never hear why.

Mr. HARKNESS: I just summarized the reasons why I believe as I do.

Mr. FOY: I agree with Mr. Harkness. I would like to know why—

Mr. HARKNESS: I am afraid that the people who have taken the opposite view have not presented any real reason for it.

Mr. FOY: They never bring out a reason.

The VICE-CHAIRMAN: All right, gentlemen; we will have the opportunity on the remainder of Item No. 1.

It is five minutes to eleven, and I think out of consideration for the ministers who attended this extraordinary meeting this morning we should give them the opportunity of getting back to the House for the question period which is due to start very shortly.

Mr. HELLIER: Perhaps just before we adjourn, Mr. Chairman, I could give the information requested by Mr. Harkness on the present stocks of the 104. We have, according to this information I have been given, 166 single-seater 104's and 37 duals. As Mr. Harkness knows some of the duals, at least, are operationally equipped, or fully combat-capable. I am not sure whether they all are or not. I am informed that they are not all, but some of them are.

Mr. LANGLOIS (Chicoutimi): Am I to understand, Mr. Chairman, that Vote No. 1 is carried?

The VICE-CHAIRMAN: Oh, no. There is no rushing things through, Mr. Langlois, quite like that.

Mr. ROCK: Mr. Chairman, there is one further question that Mr. Harkness asked before and I thought the information would come out with this, too. That is, we know the number of aircraft but what about the number of pilots? He was talking about the administration in his question, but he was not specific enough.

I am just wondering whether there is to be a breakdown in that sense on the number of pilots. We know the number of planes we have but do we have more pilots than planes, or fewer pilots than planes?

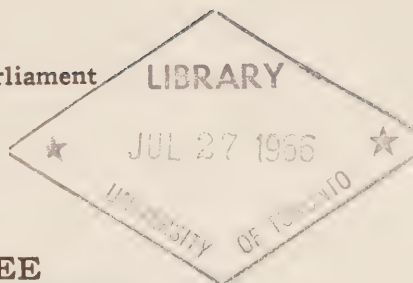
Mr. HELLYER: We have considerably more pilots than planes.

The VICE-CHAIRMAN: We will adjourn now. At the next meeting the subject definitely will be the question of integration and the re-organization of CFHQ.

We will meet next Thursday at 9.30. You will all receive your notices.

Thank you, gentlemen, for attending.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966



STANDING COMMITTEE
ON
NATIONAL DEFENCE
Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 7

THURSDAY, JUNE 9, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Léo Cadieux, Associate Minister of National Defence; Mr. E. B. Armstrong, Deputy Minister of National Defence; Lieutenant General F. J. Fleury, Comptroller General Canadian Forces Headquarters; and Major General R. P. Rothschild, Commander, Materiel Command.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

CORRIGENDUM (*English copy only*)

Proceedings No. 6

FRIDAY, June 3, 1966

In Minutes of Proceedings:

The last sentence of paragraph 4 should read as follows:

The discussion which followed included questions concerning air transport, continental defence, problems of production sharing, and future plans for the Air Bases and Brigade in Europe.

REPORT TO THE HOUSE

THURSDAY, June 9, 1966.

The Standing Committee on National Defence has the honour to present the following as its

THIRD REPORT

Your Committee recommends that it be granted permission to adjourn from place to place.

Respectfully submitted,

DAVID W. GROOS,
Chairman.

(Concurred in June 15, 1966)

MINUTES OF PROCEEDINGS

THURSDAY, June 9, 1966.

(9)

The Standing Committee on National Defence met at 9.35 a.m. this day, the Chairman, Mr. Groos, presiding.

Members present: Messrs. Brewin, Carter, Deachman, Dubé, Ethier, Fane, Foy, Groos, Harkness, Hopkins, Lambert, Laniel, Lessard, MacLean (*Queens*), MacRae, Matheson, Smith, Stefanson, Rock, Winch—(20).

In attendance: From the Department of National Defence: Honourable Léo Cadieux, Associate Minister; Mr. E. B. Armstrong, Deputy Minister; and Lieutenant General F. J. Fleury, Comptroller General, Canadian Forces Headquarters.

The Chairman read the Fourth Report of the Subcommittee on Agenda and Procedure, which is as follows:

WEDNESDAY, June 8, 1966.

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 5.00 p.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Groos, Lambert, MacLean (*Queens*), McNulty, and Mr. Winch—(5).

Your Subcommittee met to consider a plan for future meetings. The members agreed to and recommend the following timetable for the Committee's concurrence:

Suggested Timetable for Future Meetings:

<i>Date</i>	<i>Time</i>	<i>Place</i>	<i>Subject</i>
June 9 (Thurs.)	0930	Room 371 W.B.	Headquarters and Command Integration
	1530	Rockcliffe	Materiel Command
	1730		(Leave Main Door, Centre Block at 1530 and return by 1730)
June 10 (Fri.)	0930	Room 371 W.B.	Headquarters and Command Integration—continued
June 16 (Thurs.)	0830	Trenton	Transport Command
	1415		(Leave Main Door, Centre Block at 0830 and return by 1415)

Date	Time	Place	Subject
June 17 (Fri.)	0930	Room 371 W.B.	Training Command
June 21 (Tues.)	0830	Montreal 1415	Mobile Command (Leave Main Door, Centre Block at 0830 and return by 1415)
June 23 (Thurs.)	0930	Room 371 W.B.	Maritime Command
June 28 (Tues.)	0930	Room 209 W.B.	Air Defence Command

The Subcommittee meeting adjourned at 6.00 p.m.

On motion of Mr. Foy, seconded by Mr. Carter, the Fourth Report of the Subcommittee was approved as presented.

The Chairman also read the Fifth Report of the Subcommittee on Agenda and Procedure, which is as follows:

WEDNESDAY, June 8, 1966.

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 5.00 p.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Groos, Lambert, MacLean, (Queens), McNulty and Winch (5).

Your Subcommittee discussed and agreed to the following recommendations:

1. That the Committee seek permission to adjourn from place to place; and when the Committee adjourns from place to place, that the actual living and travelling expenses of the Committee members be paid;
2. That the Clerk of the Committee accompany the members when the Committee adjourns from place to place, together with the necessary supporting staff and recording equipment.

The Subcommittee meeting adjourned at 6.00 p.m.

The Fifth Report of the Subcommittee was approved as presented, on a motion of Mr. Foy, seconded by Mr. Fane.

The Chairman advised the members that the Committee has an opportunity to visit the Lockheed Plant at Atlanta, Georgia, to view three types of aircraft of particular interest. The Subcommittee discussed the possibility of such a visit but made no recommendation concerning a possible date for the trip. The Committee members indicated general agreement for a visit to the Lockheed Plant. However, a decision as to the date when the Committee would make the trip was deferred to a latter date.

The Chairman introduced Lt.-Gen. F. J. Fleury, Comptroller General Canadian Forces Headquarters, who presented a briefing on integration of the Armed Forces and reorganization of Canadian Forces Headquarters. The briefing reviewed the background to the action which has been taken, the organizational changes at Headquarters, the Command structure and the recent

reorganization at the level of Canadian Forces Bases. Various charts and illustrations which were used have been incorporated in the Evidence of this meeting.

Following the briefing, the Comptroller General and the Deputy Minister answered questions on various related subjects including references to the telecommunications, recruiting and Base organizations, and personnel strength in the Headquarters organization.

The meeting was adjourned at 11.00 a.m. The Committee will meet again at 3.30 p.m. this day and travel to Materiel Command for a scheduled briefing.

AFTERNOON SITTING

(10)

The Standing Committee on National Defence assembled in front of the Parliament Buildings, Ottawa, at 3.30 p.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Carter, Deachman, Éthier, Fane, Foy, Grills, Groos, Hopkins, Lambert, Laniel, MacLean (*Queens*), MacRae, Matheson, McNulty, Smith, Rock, and Mr. Winch (17).

In attendance: Flight Lieutenant R. L. Walkington, Executive Assistant to the Commander Materiel Command, who acted as conducting officer.

The Committee proceeded by military bus to Material Command Headquarters at Rockcliffe.

On arrival, the members were met by Major General R. P. Rothschild, Commander, Materiel Command. The Commander welcomed the Committee and briefed the members on the organization and functions of the various technical and supply components within Materiel Command.

A question period followed, during which the Vice-Chairman, Hon. Marcel Lambert assumed the Chair when the Chairman had to leave because of other commitments.

At approximately 4.50 p.m. the members were taken on a guided tour of the Data Processing Centre, accompanied, by Commodore D. McClure and Wing Commander W. Sherry. Following this, the members made a brief tour of other Command installations by bus, accompanied by Wing Commander C. D. Noble.

The Committee returned to the Parliament Buildings at 5.45 p.m. The Committee adjourned until Friday morning, June 10, 1966 at 9.30 a.m., when the Minister will be present to continue discussions on integration and reorganization of CFHQ.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, June 9, 1966.

The CHAIRMAN: Gentlemen, I would like to call the meeting to order. We are continuing this morning our discussions on item 1 of the main estimates. We have arranged this morning for a briefing by General Fleury who is the Comptroller General of the Canadian Forces Headquarters on the Canadian forces, and the briefing is on Headquarters and Command Integration. Following the briefing and during the time remaining until 11 o'clock there will be an opportunity to ask questions.

Before continuing with the briefing though I have the fourth report of the subcommittee on agenda and procedure, (See Minutes of Proceedings). If you have read through this timetable I would ask for a motion of concurrence in this report.

Mr. FOY: I so move.

Mr. CARTER: I second the motion.

Motion agreed to.

The CHAIRMAN: We have now a fifth report of this subcommittee, and I will read it (See Minutes of Proceedings).

Could I have a motion then showing that these minutes are concurred in?

Mr. FOY: I so move.

Mr. FANE: I second the motion.

Motion agreed to.

Now, gentlemen, time is drawing on and I would like to ask General Fleury if he would be kind enough to commence with his discussion.

Lieutenant General F. J. FLEURY (*Comptroller General, Canadian Forces Headquarters*):

Mr. Chairman and Gentlemen:

Today you have indicated that you wish to examine the integration of the Canadian Forces and the reorganization of Canadian forces headquarters. You have heard from the Minister on integration in general and I understand you will be reviewing the individual functional commands in the near future. It may well be that I shall cover some ground with which you are already familiar. Should this happen I offer my apology now and can only hope that my presentation to you will reinforce your present knowledge and prepare the way for the more detailed descriptions you will receive in the future.

My task as I see it is to review the background to the action we have taken on integration; to cover in some detail the organizational changes in National Defence headquarters with particular emphasis on the military component-Canadian forces headquarters: to cover the command structure in general

terms; and to explain the reorganization which has taken place fairly recently at the level of what we have called Canadian forces bases.

You will recall that the integration process started in July 1964. As of now, the main policy decisions have been taken and the basic structure has been designed, and is being implemented.

One might say that we have been headed towards integration for a number of years. You will recall a step was taken some 20 years ago when a single Minister of National Defence was appointed to replace the then three service ministers. Another significant step was in 1951, when the position of the Chairman, Chiefs of Staff, was established. In 1959, the three service medical organizations became one. During the same period, less obvious steps were taken, including the introduction of a common pay scale, the organization of the military colleges on a tri-service basis, and the production of a single set of legal regulations for the three services. Also, single service management for certain common functions has been in effect for varying periods; supply of food, dental services and the postal service are examples.

In 1960, the Glassco Commission was appointed to examine the organization of the Canadian government, and it subjected the Department of National Defence and the Canadian forces to a particularly searching scrutiny. The Commission noted, among other things, that for the size of the Canadian forces (then about 125,000 regulars in all), they were over-commanded and over-administered; and that management by joint committee was not a good, effective or economical way of doing our military business.

The commission recommended that the executive control of common administrative functions be gradually transferred to the chairman, Chiefs of Staff.

While this recommendation would have solved some of our problems, it did not adequately resolve all the basic issues. One real problem left unsolved was that of finance.

For some years as you are well aware, the military have been operating with an appropriation which remained roughly constant in dollar terms. However, like many other organizations we were faced with another real problem in that the purchasing power of the dollar had eroded, slowly but surely. Consequently, our personnel, operation and maintenance costs, which were forced to rise along with the cost of living, took a bigger bite out of the total appropriation as the years went by. Thus the services, whilst faced with a requirement to replace aging equipment and plant, found an ever-decreasing proportion of the defence appropriation available for this purpose.

If such a trend continued, it became obvious that within a few years all of our annual expenditures would be devoted to operations and maintenance. And, it seemed quite clear that, failing some extraordinary or unforeseen happening, more money would not be made available for defence expenditures.

Here then was the dilemma, and something had to be done. To solve it we could either reduce our commitments or cut out some service entirely which was undesirable or unacceptable, or, by operating more efficiently and economically, we could provide funds for capital and plant expenditure.

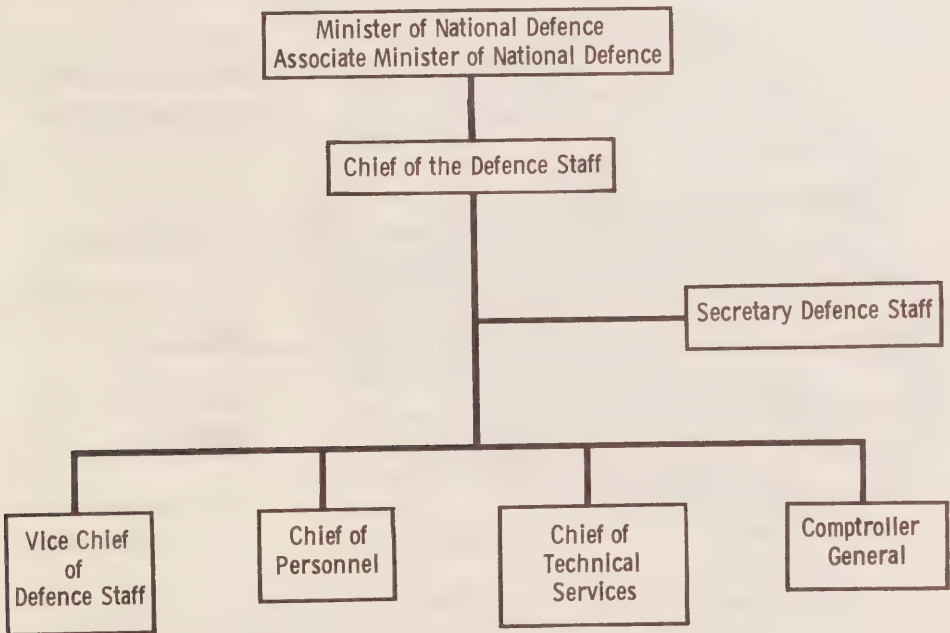
In a force of our size it was decided that we could no longer afford three separate headquarters and administrative organizations, and that we must integrate the Canadian forces under a single Chief of the Defence Staff.

This policy was contained in a government White Paper on defence issued in March 1964, as you will recall. The aim was to reorganize on a functional basis for better cost effectiveness, and to effect economies by better and more responsive management. This should allow us to use a larger percentage of our annual financial vote for purchasing new equipment. The estimates for the 1966-67 fiscal year reveal that 21 per cent of the defence budget will be directed to the procurement of equipment and new construction and development. This is a good 3 per cent higher than in the 1965-66 appropriation and, though a relatively small increase, is a significant start.

Let us now look at the Canadian organization for defence which includes:

- A. The reorganized Department of National Defence.
- B. The Canadian forces headquarters organization.
- C. The integrated command structure.

ORGANIZATION OF CANADIAN FORCES HEADQUARTERS



The top echelon of the Department of National Defence organization consists of the Minister and Associate Minister of National Defence, the Deputy Minister, the Chairman, Defence Research Board, and the Chief of Defence Staff. This group, together with the Vice Chief of Defence Staff, form the defence council.

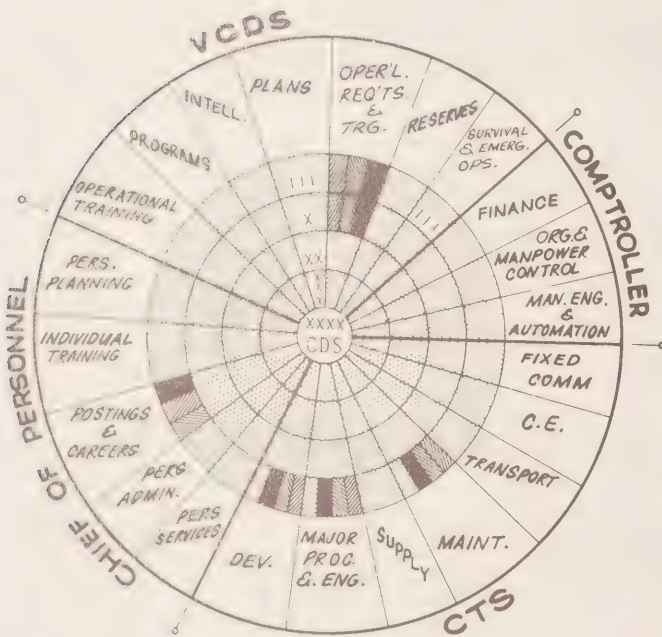
The deputy minister's office is organized on a functional basis similar to that of the military, in that he has reporting to him assistants for personnel, finance and logistics. In addition, he is responsible for the Judge Advocate General and the Director of Information Services.

The defence research board's purpose is to correlate the special scientific requirements of the Canadian Defence Forces with the general research activities of the scientific community at large.

Next we have the current organization of The Canadian Forces Headquarters' four main branches:

- Vice-Chief of the Defence Staff.
- Chief of Personnel.
- Chief of Technical Services.
- Comptroller General.

Before reviewing each of the branch organizations, perhaps a few words about integration in the headquarters here at Ottawa would be appropriate.



C.F.H.Q. INTEGRATION OF STAFF

LEGEND

- INTEGRATED
- RCN
- ARMY
- RCAF

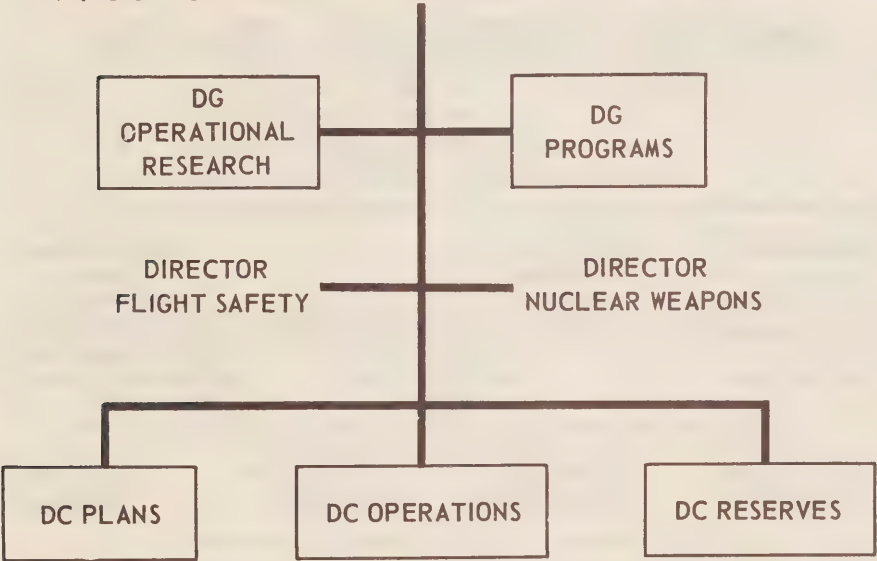
- XXX - BRANCH CHIEF
- XX - DEPUTY CHIEF
- X - D G
- III - DIRECTOR

This circular chart has been developed to illustrate the extent to which integration has been achieved at Canadian forces headquarters.

Moving out from the centre, which represents the Chief of Defence Staff, are a series of concentric rings each signifying a descending staff level from branch head to deputy chief, director general, director. The circle is divided into four segments, each segment representing one of the four functional branches of Canadian Forces Headquarters, VCDS or operations, personnel, technical services and comptroller.

In the speckled area of the chart, integrated staffs perform all functions. Since at this time we are not attempting to alter radically the operational elements in the field, whether they be navy, army or air, it is possible that there will be no marked integration of the operational staff shown in the vice chief organization. However, our aim is to achieve as much integration as possible in the other elements of the VCDS organization and in the technical services and personnel areas depicted here. You will note that the comptroller's branch is fully integrated.

VICE CHIEF of DEFENCE STAFF



Here is the over-all organization of the vice-chief of defence staff branch. The vice-chief of defence staff, of course, is the operational branch chief. He is in fact the senior branch chief who acts for the Chief of Defence Staff in his absence.

Operational Research was formerly carried out by groups within each of the three service headquarters and the Defence Research Board. In the new organization these groups have been brought together as one division. The division's duties are to apply scientific methods to the solution of military problems.

The Director General Programs is responsible for preparing and maintaining the integrated defence program. This program displays all Department of National Defence activities: it portrays expenditures or forecasts for the previous, current, and the following five fiscal years. It is both the basis for annual estimates and an aid in decision-making.

In addition, both the director of flight safety and the director of nuclear weapons report directly to the vice chief of defence staff.

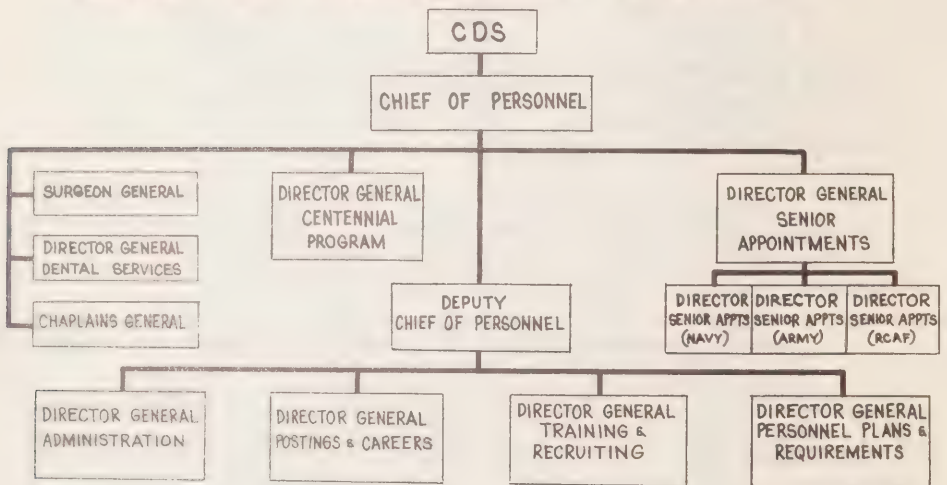
The Deputy Chief Plans is responsible for intelligence and the development of strategic concepts and force objectives.

The Deputy Chief Operations has three directors general responsible for maritime, land and air.

The Deputy Chief Reserves is responsible for supervision, control and administration of the reserves and cadets of the three services; he is also responsible for national survival, and assistance to civil authorities.

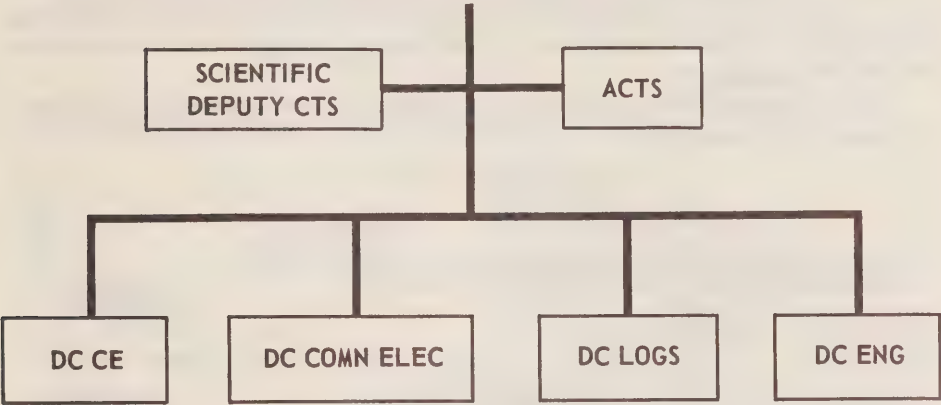
The Deputy Chief Reserves organization is a new one.

CHIEF OF PERSONNEL BRANCH



So much for the vice chief's organization. Now a look at the chief of personnel's branch. The chart, I believe, needs little elaboration. In brief, the Chief of Personnel is responsible for all personnel policy affecting a man from the time he enters the service until his discharge or retirement and for setting policy in all matters concerned with personnel services.

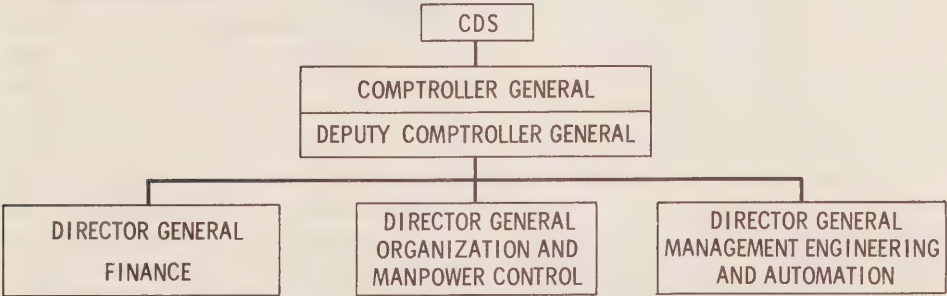
CHIEF of TECHNICAL SERVICES



The Chief of Technical Services organization is the largest and most complex of the branches in CFHQ and his responsibilities are quite well described by the titles of his senior staff, namely:

- A. An assistant chief of technical services.
- B. A scientific deputy who acts as scientific adviser.
- C. A deputy chief engineering.

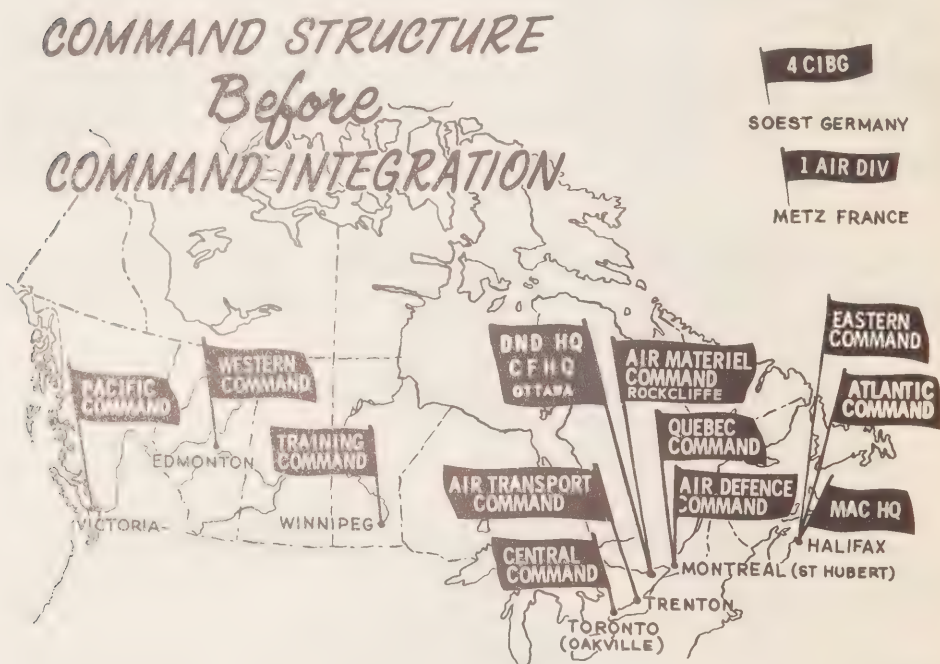
COMPTROLLER GENERAL



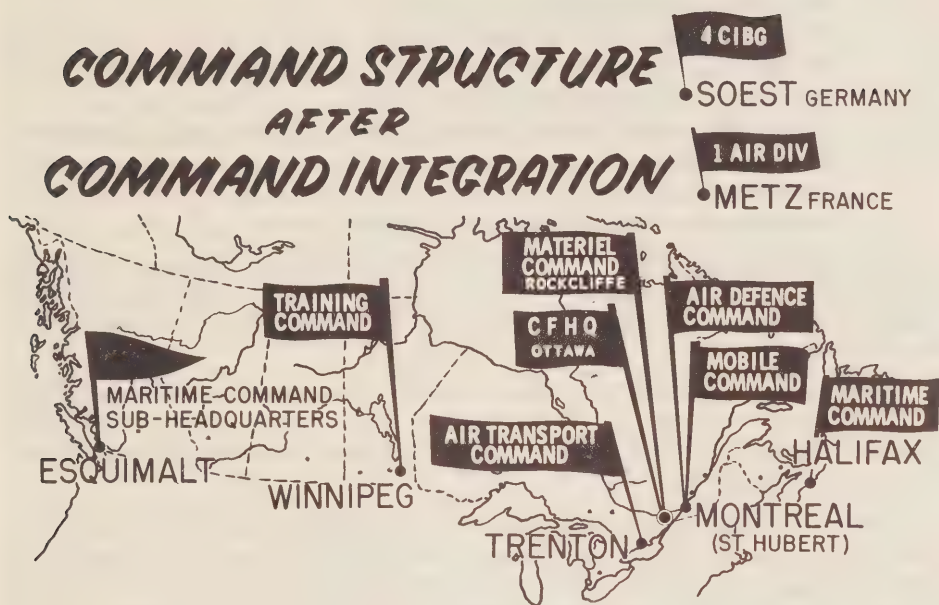
- D. A deputy chief logistics.
- E. A deputy chief communications and electronics.
- F. A deputy chief construction engineering.

The responsibilities of the comptroller general lie in the three main areas of finance, manpower and management, with the common goal of promoting economy, effectiveness and efficiency. The three divisions within my organization are as shown here.

When the integration of CFHQ was underway, we began to work out a new structure for the commands.



Shown here are the former naval, army and air force commands in pre-integration days, a total of eleven in Canada, with the additional army and air contributions to NATO in Europe—the Canadian infantry brigade group at Soest, Germany, and the Canadian air division with headquarters at Metz, France. Following the decision to integrate we have now reorganized on a functional basis across the board. Under this concept all forces devoted to a primary mission are grouped under a single commander. There are six major commands now in Canada, with no change in Europe.



I think you are not unfamiliar with the roles of the six major commands in Canada and the equipments used by them. A quick run-through may refresh your memory and draw to your attention the functional nature of these commands as opposed to the former regional concepts which had been adopted by the army and the navy.

Mobile Command with headquarters near Montreal came into being on 1 October 1965, and took over its last assigned base in the latter part of March 1966. This, as you know, is a completely new formation depicting the new concept of Canadian defence policy. Mobile command must provide operationally-trained and combat-ready land and tactical air forces capable of rapid deployment in a variety of circumstances—ranging from service in the European theatre as part of Canada's contribution to NATO, to United Nations and other peace-keeping or peace-restoring operations.

In addition to providing the rotational brigade for our European-based NATO contribution, mobile command will train the other two brigades in Canada to be air-transportable under our expanded concept of mobility.

This command will also produce an air-portable battalion alert group for even quicker response to special situations.

Some of the equipment that mobile command will be using in the execution of its role are:

The M113 armoured personnel carrier.

The Carl-Gustav anti-tank weapon.

The ENTAC guided missile.

The Buffalo, a development of the Caribou

The Buffalo, a development of the Caribou will be coming into service.

155mm Howitzer.

Vertol Helicopter.

CF-5, which in due course will be entering service.

Referring to our NATO Forces; 4 Canadian Infantry Brigade Group will continue to supply the ground forces as Canada's NATO contribution. It is equipped similarly to mobile command, but in addition has the Honest John rocket battery.

Air Division continues to provide a strike reconnaissance force for NATO. It is equipped with the CF-104 Starfighter. As you now, General DeGaulle's recent decision will call for some relocation in Europe, but details in this respect have not yet been settled.

Maritime command is responsible for the operational effectiveness of all maritime forces. Its main role is anti-submarine operations and it also has a modest sea-lift capability. Maritime command comprises the former Royal Canadian Navy Atlantic and Pacific commands, Maritime air command, and the integrated maritime headquarters Atlantic and Pacific. It was formed on January 17, 1966. Maritime command headquarters is located in Halifax, with a sub-command for the Pacific at Esquimalt, British Columbia. Major equipments used by maritime command include:

the aircraft carrier *Bonaventure*, now undergoing a half life refit,

tracer aircraft, Sea King helicopters,

helicopter destroyers (DDH),

destroyer escorts (DDE),

"C" class submarines,

Argus aircraft, and

Neptune aircraft.

With integration no change in role was imposed on air defence command. It provides the combat-ready air defence forces to meet Canada's defence commitments to NORAD. It is equipped with CF-101 Voodoos, and Bomarc surface-to-air missiles together with a significant ground environment system. A recent decision has been taken to amalgamate the northern NORAD region and air defence headquarters under one commander and this, of course, will result in certain savings in overhead.

Like air defence command, integration brought no real change in the organization of air transport command. Its forces are deployed to meet our

national transport requirements as well as our international responsibilities in the military field.

To carry out its duties, air transport command is equipped with a variety of aircraft including notably the 130 Hercules, and the Yukon. There is no doubt that this command is now more important than ever.

Training command represents a new concept for the forces as a whole. Previously training for both the Royal Canadian Navy and the Canadian Army was controlled directly from Ottawa. Around the nucleus of Royal Canadian Air Force training command, which had been organized on a functional basis since 1947, the new integrated training command was organized and came into being on January 1, 1966. The command headquarters is located in Winnipeg. Training command assumed functional control of its bases and units by April 1, 1966. It is responsible for classifying and training individual service personnel at the basic, elementary, and advanced levels. Training command does not conduct operational training, which is the responsibility of the operational commands.

Materiel Command is located at Ottawa and came into being on August 1, 1965. It has the task of providing logistic support for the Canadian forces. Materiel command is, if you will, in the position of a wholesaler, while the user commands are both the retailers and customers. It has the responsibility for major repair of naval, army and air force equipment. One indication of the extent of the task facing materiel command now is that, with present stocks of equipment, logistics management must be provided for some 850,000 line items. It is estimated that the complete reorganization of the three different supply systems of the armed services into one automated system will take three to five years.

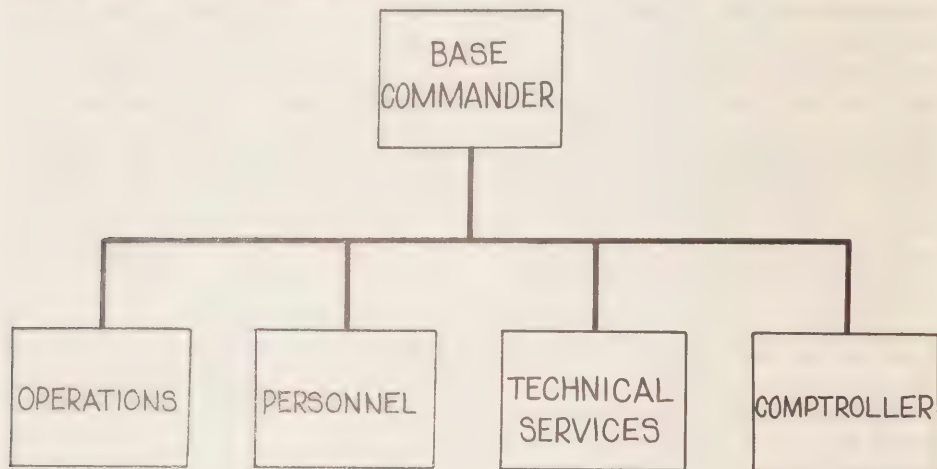
The reserves and survival organization reports to Ottawa, where the Deputy Chief Reserves is not only a staff officer but, as I mentioned earlier, is charged with supervision and control of reserves, as well as aid to the civil power, and national survival. The reserves and survival organization will operate through military districts across Canada. These districts correspond roughly to the former army areas, but with a sharply reduced scope and strength.

Another significant organization is the Canadian forces communication system. Before integration, there was considerable overlap in the communications provided by the three services. The Canadian forces communication system, a command-type structure, has been set up to provide the fixed communications requirements of all the Canadian forces. This chart shows the integrated fixed communication system which should produce appreciable savings in overhead.

And now, just a word about the organization of bases: Although there will not be absolute standardization of organizational structures throughout commands, we feel that it is both practical and desirable that the general organization of both commands and bases parallel the four main branches at Canadian

forces headquarters, namely operations, personnel, technical services, and comptroller general.

BASE ORGANIZATION MODEL



Here I show you a typical organization at the base level. The role of the base is to provide accommodation, messing, and administrative, technical and comptroller services, as required, to support units or formations lodged on, or otherwise supported by, the base. As units or formations will vary widely in the degree that they are self-supporting, the services provided by the base must be tailored to each case.

So much for the detailed organization charts. Now where are we today? I think you will agree that much has been accomplished since the decision was made to integrate the Canadian forces almost two years ago. But it would be wrong to suggest that we have reached our final goal at this time. Full and complete integration will only be achieved when we have settled common policies and procedures for all aspects of Canadian Forces administration and when we have shaken down the training organizations, logistics and administration systems and the operational command structure. We learn as we go along, and we must be prepared to amend our organization in accordance with the lessons we learn.

On the credit side, our accomplishments to date can be described as follows: at Canadian forces headquarters, in Ottawa, physical integration of staffs has been accomplished—and the reorganization generally carried out with an over-all saving approaching the target of 30 per cent of the pre-integration manning levels.

All of the new functional commands have been activated and are now well advanced on their organizational staff work. By April 1, 1966, units were allocated to bases, and bases to commands. To give you an indication of the magnitude of the task, effective April 1, 39 Canadian forces bases were formed, involving hundreds of units. Again, on the same day, the old army commands and area headquarters were disbanded and 12 district headquarters, which are generally located in provincial capitals, came into being.

Abroad, the reorganization of Canadian defence liaison staffs, London, and Washington, is now complete and the resultant savings in manpower are in the order of 40 per cent over-all.

In closing, Mr. Chairman, I hope I have made clear the evolutionary nature of our reorganization for integration. It is to be expected that the developing interrelationships between Canadian forces headquarters and commands, and between bases and units will call for some modification and refinement as time goes by.

This, sir, concludes my brief.

The CHAIRMAN: Thank you.

Mr. LAMBERT: Can Gen. Fleury tell us whether the charts to which he has referred in his text can be integrated at the appropriate places in the text or that they be compiled as an appendix with reference to charts? Some of them were very briefly referred to and, with respect, the explanations given by General Fleury are, shall we say, only half meaningful unless there is a chart for ready reference.

Lt.-Gen. FLEURY: Well, this would be a matter for the people responsible for producing the proceedings. As far as we are concerned the charts are available. They are numbered and they can be provided to whoever is responsible for producing the—

The CHAIRMAN: The secretary already has this in hand.

Lt.-Gen. FLEURY: There is no difficulty from my point of view whether they be integrated in the text or used as an appendix.

The CHAIRMAN: Well gentlemen, the meeting is open for questions. Mr. Carter?

Mr. CARTER: As I was listening to the General—

Mr. SMITH: How about moving General Fleury around to that table up with the Chairman?

The CHAIRMAN: General Fleury, would you come and sit up here with us?

Mr. CARTER: In the event of an expansion, how many of these services could take care of expansion without further cost, for example, telecommunications? If we had to double our forces I presume the same communications we have now would serve the expanded force; is that a safe assumption?

Lt.-Gen. FLEURY: Reasonably safe I would say because this is a fact. We have a geographic area covering the whole of Canada with fixed installations. If we were to set up entirely new camps in uninhabited areas obviously some links would have to be put in to these entirely new camps. But I think basically our system is capable of expansion with little or no further expense.

Mr. WINCH: Would General Fleury sit down and it would also help on the microphones? Please, General Fleury, if you would.

Mr. CARTER: To what extent would that apply to the command force? What percentage expansion could you handle without any appreciable increase in your integrated command personnel. You have a fixed number of people now serving, and you have a fixed number of administrative forces, and you have a ratio. Is that a constant ratio or could we expand our personnel say 20 per cent, 30 per cent without having to further increase our present command personnel bases that you have shown us on the chart?

Lt.-Gen. FLEURY: Command structure?

Mr. CARTER: Yes, command structure is what I meant.

Lt.-Gen. FLEURY: It would certainly be capable of handling an expansion of considerably more than 20 per cent, if we are referring only to command structure. I would not suggest for one minute that this would be true of support structure. But commands, including functional commands, commanders and staff officers should certainly be able to cope with any reasonable expansion operation, and it was designed with that in mind.

Mr. CARTER: Would the same be true of buildings, do you say, that we are using now, offices, accommodation, personnel accommodation; is that capable of taking care of considerable expansion as well?

Lt.-Gen. FLEURY: I certainly would not say it was in Ottawa, sir. Elsewhere I think that we could certainly expand at the sharp end by a considerable percentage because our organization of plant today is geared to what we call peacetime scales. You can expand any barrack block by a factor of two tomorrow by simply putting in double decker bunks in lieu of single bunks. So, if you are talking about an emergency, yes, definitely.

Mr. CARTER: There is one other question, Mr. Chairman, I do not know if this is the proper place to ask it but I was interested in the Howitzer picture that we saw there, and I wondered just what kind of a missile it used, and what its main function was. What is the main purpose of that?

Lt.-Gen. FLEURY: The 155mm. Howitzer is an artillery piece and does not fire as missile; it fires a shell. As the name indicates, they are 155 millimeter size. It is quite a long range, close and medium support weapon. It does not fire a missile.

Mr. CARTER: It is just modern artillery.

Lt.-Gen. FLEURY: That is right.

Mr. LAMBERT: With reference to the radial chart of the degree of integration or, shall we say, what areas of command have been integrated, is there any idea of a quantitative figure of the degree of integration? Could you say that the Canadian forces are four fifths integrated, or two thirds, or some percentage figure?

Lt.-Gen. FLEURY: Well, that chart refers only to Canadian Forces Headquarters in Ottawa, and I would say that it is fully integrated. The branches are integrated and the staffs are integrated. But you come down to certain segments where you require expertise in certain fields and there you must have—for

instance, in the field of ship construction, maritime architects, and that sort of expertise are not found in the army or the air force, as you are well aware, so you have to have people with that particular expertise. They are not integrated in the sense that you can expect to move an army or an air force fellow in to do that particular job. The same thing is true of aeronautical engineers. The same thing is true in the operations branch under the VCDS. With respect to the operations people, although they work side by side and hand in glove, you have got to have at the top, at the director or director general level, an army trained officer, to direct army operations. You need a navy trained officer to direct naval operations, and so on.

Mr. LAMBERT: Yes, but that is within the global concept of integration. Another word may be used at that level to describe it, namely unification of command. But what I am thinking of is the plan for integration which includes these various specialists' posts which are non-transferable, let us put it. Is it possible at this time to say "Well, we are two thirds of the way in the whole concept of integration as envisaged in 1964?"

Lt.-Gen. FLEURY: I would have some difficulty in dealing with it on a percentage basis, I must say frankly. As far as Canadian forces headquarters is concerned if one must put a percentage figure on it I would say that integration approaches 100 per cent.

Mr. LAMBERT: I look now in the field of recruiting services and also the training of recruits, the handling of people who are going into the air force as against people who are going into training at training schools for, say, the ground services; those people who are going into the training units at the depots of the various regular army units. That is not within, shall we say, the description of complete integration and may never be for good and various reasons.

Lt.-Gen. FLEURY: If I can deal with the points you raised one at a time, recruiting is completely integrated.

● (10:30 a.m.)

Mr. LAMBERT: That is the recruiting staff.

Lt.-Gen. FLEURY: The recruiting staff. We have some 34 recruiting detachments across the country and they recruit for all the services, not for navy, army or air force alone. You may find in a particular recruiting detachment one officer or n.c.o. from each of the three services, but they recruit for all services, and after the recruiters have, on an integrated basis, dealt with the applicant, then he goes to the personnel centre,—I am not sure that I have the right term because they have been changing—where he is actually sorted out and given his preliminary classification and assigned to a training organization, and the personnel centre is integrated.

Now, the training command which I touched on lightly in the chart is not yet completely organized and shaken down. It was only brought into being a few months ago and only took over all its units by the 1st of April. But the intention is to have, to the extent practical, integrated training. For instance, instead of the navy, army and air force each training drivers, all the drivers will be trained in one place, or in several places on an integrated basis, and the same will apply, *mutatis mutandis*, to all the trades and on specialties in the

armed forces where there is a commonalty; radio operators, vehicle mechanics, and that sort of thing. Now, there are certain areas, obviously where this will not work. You are not going to train army people to operate high performance fighter air aircraft. You will be training army and air force people to operate light aircraft and helicopters as we always have, and to that extent training can be integrated. There is no great trick or difference in training a prospective helicopter pilot whether he is going to fly a navy helicopter, or an army helicopter or an air force helicopter. The same is not true, of course, of large transports or high performance fighter aircraft.

Mr. LAMBERT: Could I switch to a slightly different question. You were speaking of the reorganization of the Canadian forces bases. Did this reorganization produce any surplus bases or are there some bases which are really only on a half manned basis at the present time as a result of this redesignation? Well, let us make ourselves clear now. Let us take the situation in Edmonton where you have western command. You have a number of units and facilities based on that command; you have alongside the Hamilton-Galt depot of the Princess Patricia's, and just down the road you have a former R.C.A.F. station Namao; you have No. 7 supply depot, which was a different part. It was part of materiel command. There are now under just one designation outside of the Alberta district headquarters which is the old western command facilities. But what about No. 7 supply depot? It does not appear in materiel command. What about that whole complex? Does it produce a surplus and it undoubtedly is perhaps repeated in a varying form in other sections of the country?

Lt.-Gen. FLEURY: Perhaps I could throw some light on this if I pointed out that first of all there are only 39 bases in the Canadian forces now. There still remain hundreds of units, some of them units such as you mentioned: the supply depot in Edmonton; it is not a base, it is a unit. Now, if you want to look at the relationship between bases and units, a base may have two, five, ten, twenty units, for whose support is this responsible.

Mr. SMITH: In different locations?

Lt.-Gen. FLEURY: In different locations. Either in the one geographical location or elsewhere. It also has integral units, or units which really belong in that base, or sections such as the transport section, or transport company, or that sort of thing. And it has lodger units. Let us take an example with which probably I am more familiar than others and maybe some here are, too, Valcartier. Camp Valcartier traditionally was an army camp and it was responsible only for the support and administration of the units physically located in Camp Valcartier, notably three battalions of the Vandoos, engineers, army service corps, RCME, ordnance, you name it. They were all there and they all formed Camp Valcartier. Valcartier today has been designated as a Canadian Forces Base. All these units which were formally physically located in Camp Valcartier, with one or two exceptions, are integral units. That is, they belong there; they will always function there or out of there. The ordnance ammunition depot in or near Camp Valcartier belongs obviously to materiel command. It is designated as a lodger unit. The base does not command the unit; it gets all its technical direction and orders for ammunition moving in and out, and proving, and all this sort of thing from materiel command, but it is a lodger unit in Camp Valcartier, or near it. But Camp Valcartier, or the

Canadian Forces Base Valcartier, will also now be responsible for all the administrative support which was previously provided by headquarters Eastern Quebec area, including units, detachments of all kinds and sorts and shapes and sizes in Quebec city, in Lac St. Jean, Bas St-Laurent, etc. They look to this Canadian Forces Base Valcartier for their works and bricks; their transportation, their support of every shape and size. We have got really an entirely new concept here, new, certainly to the Canadian forces.

Mr. LAMBERT: Yes. In other words, for administrative purposes the present forces base replaces in many ways a former area command.

Lt.-Gen. FLEURY: And all the units which a former area command controlled, like the area transport company, the area ordnance, the area workshop and all these things that you are familiar with.

Mr. LAMBERT: Thank you Mr. Chairman.

The CHAIRMAN: Mr. Smith, did you have a supplementary?

Mr. SMITH: Following Mr. Lambert's question, has there been any census taken or any stocktaking taken of what locations, or if any locations may be surplus and closed down recently? At what stage is that review if such a review is in being?

Mr. Léo CADIEUX (*Associate Minister of National Defence*): I am not sure that we can give you a census. I think that these things are reviewed as we go along, as far as I am aware.

Mr. SMITH: Would you not know now that there has been a very complete reorganization of the armed forces. Would there not be concurrent with that or closely consequent on that a complete review of what bases might be surplus and might be closed.

Lt.-Gen. FLEURY: There is a review naturally under way because with a reorganization of this kind undoubtedly there will be consolidations eventually. When this will be completed is a little difficult to say because initially the various command headquarters who have now been assigned their responsibilities and their bases have the job of analysing what they require to perform their functions most effectively and to make recommendations to headquarters and they will then be analysed there. So, the best I can really say is this kind of analysis is under way but it will be I think some time before it is finally worked out in detail.

Mr. SMITH: There are two final questions related. They deal with the number of personnel at Canadian forces headquarters after integration now as opposed to National Defence headquarters before: civilian personnel, military personnel and also what the final projected figures are. Will they be down or up?

Lt.-Gen. FLEURY: If we take the strength of the three service headquarters in Ottawa on the 31st of July, 1964, we find the following figures: 3,179 service personnel; 3,293 civilian personnel, for a total of 6,472. As of the 30th of April, 1966, the last date for which I have precise figures, you find 2,387 service personnel; 2,224 civilian personnel, for a total of 4,611. The net change downward in service personnel is 792, in civilian personnel 1,069, for a total of

1,861. If you want the percentage reductions, they work out, service 25 per cent; civilian 32 per cent; total 29 per cent.

Now, having given those figures I have to point out, even at the risk of stating the obvious, that one of the easiest things in the world is to slough off commitments and thereby reduce personnel. So these figures can be queried from that point of view, and I as Comptroller General have kept a running count on all commitments which have been transferred to other units, commands or headquarters, or any new functions or commitments which have been added in the intervening period, and we make these changes as we go along. If you make adjustments on the basis of commitments sloughed off or commitments added you get an entirely different set of figures. If you want those, they work out as follows: the same 3,179, 3,293, total of 6,472 as of 31st July, 1964. The net change adjusted for all these factors is on the 30th of April, 1966, 2,387, 2,224—I beg your pardon; I am looking at the wrong figures. The revised figures as of the 31st of July, 1964, are 2,959, service personnel; 2,775, civilian personnel for a total of 5,734. I say again the revised figures, taking into account all the operational changes, mean that our start point as of the 31st of July, 1964 would have been 2,959, and 2,775, for a total of 5,734. Our reductions of course are still the same, but our percentage reductions are different because we start from a lower start point; and if you use these figures, which I suggest are really the more valid ones, the actual reduction to date percentagewise has been 19 per cent service, 20 per cent civilian.

Now, the main factor there—just as a word of explanation—has been the creation of materiel command. Some of the functions which were previously done in the three service headquarters by the quartermaster general army, the air member for technical services and the chief of naval technical services, have been sloughed off to materiel command and in all conscience I must take account of that in giving any figures and working out any reductions.

Now we are not at the end of the road by any means on this reduction business because I think you will all appreciate that integration by itself has increased the workload at Canadian forces headquarters. The very business of trying to produce common personnel policies, common supply systems, and so on, has generated a good deal of additional work, and we have set up in some cases to tide us over this integration period what we call incremental positions which are included in these figures here but which will ultimately disappear as we get our common procedures and policies worked out.

MR. LAMBERT: With regard to mobile command, are there not some functions here which were previously performed or similar functions performed at NDHQ?

Lt.-Gen. FLEURY: Correct.

MR. LAMBERT: Have these been taken into account?

Lt.-Gen. FLEURY: In these revised figures which I gave you.

MR. HOPKINS: The figures that we have been given for civilians include the deputy minister's staff, or is that just headquarters staff?

Lt.-Gen. FLEURY: I have given you only Canadian forces headquarters organization which is part of the departmental organization, but not the complete departmental organization.

Mr. SMITH: Perhaps we have the figures on the National Defence headquarters completed at this moment?

Lt.-Gen. FLEURY: I have the figures but it is a very large chart.

Mr. ARMSTRONG: The figure for departmental administration at July 31, 1964, was 501, and the latest figure on this chart, April 30, 1966, is 524. Now, in addition, accommodated at headquarters D.R.B. at July 31, 1964, was 425, and at April 30, 1966, 380. That leaves our inspection services which have a strength of about 200 at headquarters. They are part of materiel command now; they formerly reported to me as deputy minister, but they have now been transferred to the materiel command.

Mr. LANIEL: Can the extra workload that you mentioned as coming from integration itself be evaluated into a percentage of future reduction of personnel at headquarters?

Lt.-Gen. FLEURY: I should find it very difficult to make any such evaluation, to be perfectly honest with you.

Mr. LANIEL: Yes, I would think so, but I was just wondering. Thank you.

Lt.-Gen. FLEURY: Very difficult.

Mr. HOPKINS: Mr. Chairman, I was wondering whether any additional forces would be posted to Canadian forces base, Petawawa, as a result of it becoming a mobile command base in March of this year.

Lt.-Gen. FLEURY: There is a plan which does not fall particularly into my count, sir, to move additional units in Petawawa, but I am quite honestly unable to give any details at this time because the plan has not yet been finalized.

The CHAIRMAN: Mr. Brewin, you had a question, you have to leave; would you like to ask it now?

Mr. BREWIN: I would think I have to postpone it. I have two or three questions; I would rather not put them now.

Mr. MACLEAN (*Queens*): Mr. Chairman, we have seen the presentation of the objectives in integration and it would seem to me we are all agreed that our objective is to provide a defence organization that is as efficient as possible. Now, the contention presented to us today is that this can best be achieved by integration. One of our roles as a Committee, as I see it, is to test the validity of this contention, and I do not want anyone to get the opinion that I am being disagreeable or offensive in any way when I try to ask questions which may appear to be unnecessarily critical. General Fleury said at one point, if I understood him correctly, that we are still quite a considerable distance from our final goal. Would you care to define for us what the final goal is, in simple terms?

Lt.-Gen. FLEURY: I can only refer you really, sir to the White Paper which I think stated clearly that integration was a step towards the final goal of unification, and this is a matter of policy on which obviously I am not really competent to comment.

Mr. MACLEAN (*Queens*): Since there are a number of countries in the world that are supporting defence forces roughly of the same magnitude as ours

and in most cases containing three separate services, I suppose these countries are watching very closely, or fairly closely, what is happening here in Canada. Now, if integration has all the merits that its protagonists state it has, I suppose these countries must be quite impressed with what is taking place here. Have you any indication of what other countries at this time have indicated that they propose to follow Canada's lead as far as integration is concerned?

Lt.-Gen. FLEURY: I do not know of any country, sir, that is not very interested in what we are doing here, although the motives for their interest may vary from country to country. My people and myself have had a steady stream of military visitors from quite a number of countries, large and small, and cabinet ministers. They are watching very keenly what we are doing: some of them obviously hoping to follow our lead; others, I expect, hoping that we are going to fall flat on our face in this process. In my personal dealings with these visiting gentlemen, I have always made the point loud and clear that the decision was taken by the Canadian government to go for integration in the Canadian armed forces and that integration is not on our list of exportable commodities. If they want to come and ask us what we are doing, and why we are doing it, we are very glad to tell them and have told them, but we are certainly not selling integration to any of our friends and allies because I think they all realize that their circumstances and our circumstances are not necessarily the same.

Mr. MACLEAN (Queens): Have any countries to your knowledge as yet taken the decision to follow Canada's lead in integration?

Lt.-Gen. FLEURY: To varying degrees, yes. A considerable measure of integration is going on in the British armed forces along somewhat different lines with a somewhat different approach. You can even say that the Americans have gone for integration at the top, again in their own way. The Scandinavian countries generally seem to be very interested in our approach and have taken some steps in the same direction themselves. I do not think we ought to say that we are alone in this field at all, but it seems to me, sir, that we certainly have gone further and faster than any other country as yet, in this area.

Mr. MACLEAN (Queens): There were some questions asked already on the next subject which I had intended to raise and that is the cost of integration itself. It seems to me that in addition to the temporary establishments that have already been mentioned by the witness, which would exist only during the integration process, there must of necessity have been a great deal of effort in manpower and manhours used up in the process of reorganization. I am not saying that this is good or bad. It should pay off in the end. But temporarily, during the process, is it possible to give any estimate of the cost of carrying out the integration in either dollars, manhours, or effort, in any meaningful way, or is this impossible to estimate?

Lt.-Gen. FLEURY: I could not begin to give you any meaningful figures on that. Perhaps I should explain that the first year of integration passed me personally by completely. I was not here. I came to the integrated Canadian forces headquarters only last September. I was given to understand that burning the midnight oil was the order of the day for the first year and this certainly continued for some time after I arrived and it is still continuing in certain areas.

Now, as you know, our military personnel get so much a month, and whether they work six hours a day or 16 hours a day there is no additional cost except wear and tear on them physically or mentally. The same thing is generally true of civilian staff in the department. Certainly here a good deal of overtime has been put in without apparent cost to the public. I cannot honestly put my finger on any area of costs resulting directly from integration. If there be such an area I cannot think of it at the moment.

The CHAIRMAN: Gentlemen, I am afraid our time has expired and we have to vacate this room. We will be continuing along on the same subject tomorrow, in the same room, 371, at 9.30 a.m., at which time the Minister will be here.

● (11:00 a.m.)

This afternoon there will be a bus leaving after orders of the day or at 3.30 p.m. from outside the main door in the Center Block for Rockcliffe where we will have a briefing on materiel command. I still have four names on my list: Mr. Harkness, Mr. Laniel, Mr. Dubé and Mr. Carter who will start off with the questioning tomorrow, and Mr. MacLean. Thank you.

AFTERNOON SITTING

(Held at Rockcliffe)

THURSDAY, June 9, 1966.

● (3:50 p.m.)

Major-General R. P. ROTHSCHILD, MBE, CD, (*Commander Materiel Command*): Gentlemen, I know you do not have very much time so I will start immediately. However, before I do I would just like to introduce the officers who are here. Commodore McClure is my chief of staff; Group Captain Hodgson is the controller at this headquarters; Wing Commander Noble commands Canadian Forces Base, Rockcliffe, and Wing Commander Sherry is the staff officer, data processing.

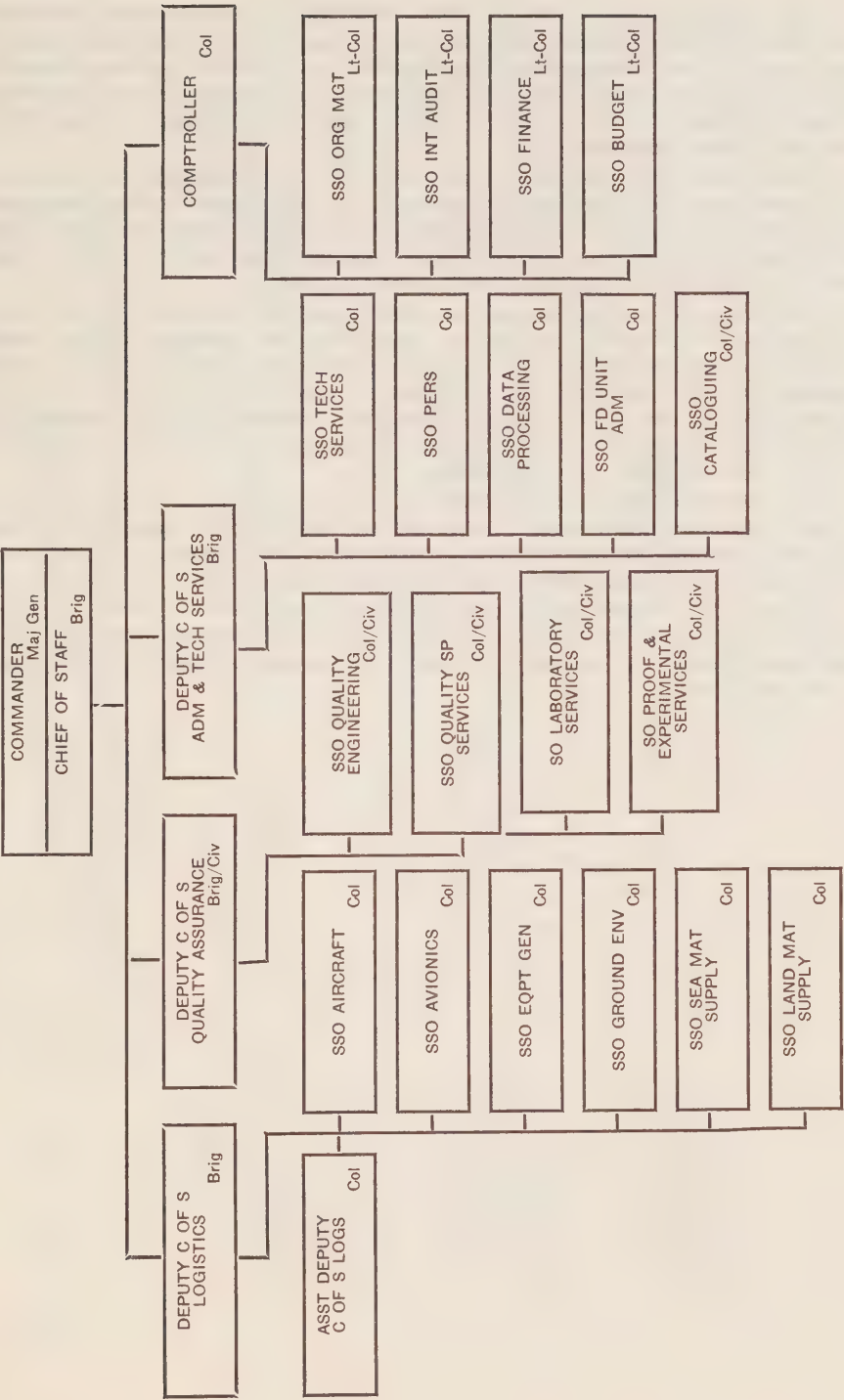
Mr. Chairman and gentlemen, I am very happy indeed to welcome you this afternoon to materiel command headquarters and grateful for the opportunity to review the responsibilities, functions and organizations of my command. The purpose of my brief this afternoon is to outline the background developments of the integrated materiel command, its mission, concept of operations, the command headquarters organization, the bases and the organic units of the command. Toward the end of my briefing I intend to outline the steps that must be taken to bring into being a single automated supply and maintenance system for the support of the Canadian defence force. You will recall from earlier briefings given to your Committee that this command came into being on August 1, 1965. On that date as the initial phase of the formation of materiel command, the R.C.A.F. air materiel command and its headquarters at this station, Station Rockcliffe, were designated materiel command and materiel command headquarters respectively. Responsibility for the units and functions previously assigned to Air Materiel Command, the operation of the navy and army logistic systems and the functions of the controller General Inspection Services, formerly under the deputy minister of the Department of National Defence, were assigned to the commander of materiel command.

The main aim or mission of this command is to provide the necessary supply and maintenance services to the other functional commands when and where they need such services. Expressing this in another way, materiel command is in the position of a wholesaler while the user commands are the retailers and the customers. The basic functions evolving from this role include; first of all, materiel identification and cataloguing of all items of supply; second, quality control and inspection of new or repaired items; third, inventory management of the items that are in the system, fourth, warehousing and distribution of those items; fifth, the operation of major repair and overhaul systems; and finally, materiel disposal.

Pending the development of a single integrated logistic system, the existing support systems of the navy, army and air force will be operated essentially in their pre-integration configuration and in accordance with naval, army or air force regulations and procedures as appropriate. However, since the objective is to develop a unified and consolidated system as quickly as is practicable, materiel command headquarters has been integrated from the outset and organized on a functional basis.

Defence council has not approved the organization which is shown in the chart before you.

MATERIEL COMMAND HEADQUARTERS ORGANIZATION



The headquarters is broken down into four main branches. Heading the branches is the commander with his chief of staff and a small secretariat. The four branches are, first, logistics; the deputy chief of Staff Logistics is responsible for advising me on the efficient management of the supply and maintenance of materiel items in the national inventory, and it is the staff through which I carry out these responsibilities.

The deputy chief of staff quality assurance is responsible for advising me that new materiel entering inventory is in accordance with the approved specifications, and that repaired or modified materiel, other than that carried out by base and field formations, meets acceptable standards. He also heads the staff through which I exercise those responsibilities.

The head of the administration and technical services branch again is responsible for advising me on the administrative direction of the materiel command headquarters and units, provision of support services to the command headquarters and development of systems, procedures and methods within approved policy for the activities of materiel command and for the supply and maintenance support of the Canadian forces; and again is the staff through which I exercise those responsibilities.

The Comptroller is responsible to me for advice on the efficient and judicious use and allocation of manpower and the financial resources allotted to the command, and advice on the improvement of management; and again is the staff through which I exercise those responsibilities.

Now, a few words on the scope and complexity of the present operation; for some time we must continue to operate three separate supply and maintenance systems. An indication of the major differences in these systems is shown on the next chart.

MAJOR DIFFERENCES
IN PRESENT SERVICES SUPPLY SYSTEMS

FUNCTION		RCN	CDN ARMY	RCAF
A	METHOD OF INVENTORY CONTROL AND EQUIPMENT USED	CENTRALIZED—PUNCH CARD	DECENTRALIZED—PUNCH CARD	CENTRALIZED—COMPUTER AND TRANSCEIVER
B	DEMANDING SYSTEM	DECENTRALIZED	DECENTRALIZED	CENTRALIZED
C	GROUPING OF TECHNICAL AND SUPPLY PERSONNEL AND METHOD OF PERFORMING FUNCTIONS	TECHNICAL AND SUPPLY STAFFS ARE GROUPED SEPARATELY WITH LIAISON BETWEEN THE TWO GROUPS	TECHNICAL AND SUPPLY STAFFS ARE GROUPED SEPARATELY WITH LIAISON BETWEEN THE TWO GROUPS	TECHNICAL AND SUPPLY STAFFS ARE GROUPED TOGETHER SO THAT ALL TECHNICAL AND SUPPLY WORK FOR A GIVEN NATO CLASS IS PERFORMED IN ONE STAFF
D	RESPONSIBILITY FOR MAINTENANCE ORDERS AND MAINTENANCE INSTRUCTION	CFHQ AND DOCKYARD	CFHQ AND BASE WORKSHOPS	MATERIEL COMMAND

The navy has a centralized inventory control using conventional punch card and tabulating equipment. The army has a decentralized inventory control using conventional punch card and tabulating equipment. The R.C.A.F. on the other hand has a centralized inventory control system using a computer and transceiver, or sending and receiving equipment. As you will see, there are basic differences in these three systems, while each was adequate and good for the organization it was designed to support, none of them are adequate to meet the present organization and roles of the functional commands. Furthermore, each of these three systems was developed some time ago and while improvements were continually being made such improvements were in the nature of modifications to an existing system and consequently were restrained within an existing framework. Now that we are going to a fully integrated system we have the opportunity and intend to develop a new system using the latest management techniques, automatic data processing and communications equipment to the fullest extent consistent with efficiency.

This requirement to operate the three existing systems while at the same time to develop and then implement a fourth integrated system to take their place is going to place a strain on the personnel of Materiel Command, particularly at this headquarters, and also place a strain on the operation of the existing systems. In order to ease this strain we will continue to make modifications to the existing systems by integrating where possible the management of items which are common to the three services. Such changes as will be made, however, will only be made if they are consistent with and will help us to make the transition to the single integrated supply system. Studies are now being carried out in regard to our wholesale distribution system. As I believe most of you are aware, each service now operates three major wholesale depots. The naval depots are situated close to the major users of the materiel—ships and dockyards—and are located at Halifax, Esquimalt and Montreal. The air force has depots in Moncton, Toronto and Edmonton. The navy and air force operate what we call composite depots, that is to say, they normally carry the full range of material for the customers they support. The army maintains central ordnance depots in Montreal, London and Cobourg. These depots differ in the concept of operation in that they are commodity depots holding a selective range of materiel, and supplying all users in the army of that materiel. The demanding system differs between the services in that the navy and army have a decentralized procedure—the depot makes the issue and on a post posting basis informs the inventory control. In the air force, the station demand is fed into the computer from a transceiver network. I will not elaborate further on this more sophisticated form of inventory control, or inventory management, as you will be receiving a guided tour through the data processing centre following this briefing. You will note also from that previous chart that there are differences in the grouping of technical and supply personnel, and the responsibility for maintenance orders and maintenance instructions.

With regard to the major repair and overhaul activity, the navy operates two large dockyards, one in Halifax and one in Esquimalt. The air force, a large repair depot at Trenton, and the army two base workshops, one in Montreal and one in London. While there are basic differences in the supply and maintenance systems, we are fortunate in having a basic building block, the NATO Cataloguing System.

PRESENT ITEM POPULATION

PRESENT INVENTORIES
(GOOD ITEMS)

INCLUDES 75 NATO GROUPS,	SEA	277,000
457 NATO CLASSES	LAND	193,000
	AIR	380,000
		<hr/>
		850,000

PROBABLE REDUCTION BY STANDARDIZATION AND
ELIMINATION OF DUPLICATES.

18% APPROX.-FINAL TOTAL 700,000

On this next chart you will see that our present inventory comprises some 850,000 items spread over 75 NATO groups and 457 NATO classes of materiel. We hope to reduce this range of inventory by about 18 per cent through standardization and elimination of duplicate items to about 700,000 items. Direction to commence planning for the integration of the cataloguing function was given in late 1964. Physical integration of the three staffs involved was delayed until June 1965, however, because of lack of suitable accommodation here at Rockcliffe. However, during this waiting period standard procedures were developed and tested and this greatly eased the disruption in operations when the staffs were brought together. Complete integration of the cataloguing staffs has now taken place. No vacancies have been filled since the direction to integrate was received; through attrition a reduction in staff of 150 people is being affected with an annual saving in personnel of \$745,000. This represents a percentage savings of 26 per cent from the salary overhead prior to integration on the cataloguing side.

Now a word about the new supply system. The planning for it has been proceeding for some time now at Canadian forces headquarters under the direction of the Chief of Technical Services. The over-all objective is to design a supply system which will best meet the needs of the Canadian forces in the 1970's and beyond. Clearly any system that will provide a quick and positive response to the requirements of the operating forces, and in addition meet the need for a rapid, reliable and readily retrievable flow of data essential to management must be predicated upon optimum use of automatic data processing equipment. It has been assumed that there will be one master inventory control point physically located here at materiel command headquarters Rockcliffe. Operational research studies are now being conducted to determine the best use of our existing depot complexes and the degree to which selective inventory management will be applied in the future system. The final development, testing and implementation of the new system will be the primary responsibility of materiel command. We estimate that it will take between three to five years to develop and fully implement this new single supply system.

A word about the personnel; the authorized supply and maintenance personnel employed prior to integration on the functions now carried out by materiel command are shown on the chart.

SUPPLY/MAINTENANCE PERSONNEL
AUTHORIZED BY ESTABLISHMENTS
AS OF JUNE 1965

HEADQUARTERS (MATCOM)

	MILITARY	CIVILIAN	TOTAL
NAVY	85	400	485
ARMY	286	229	515
RCAF	920	1030	1950
CQA		310	310
SUB TOTAL	1291	1969	3260

FIELD UNITS (MATCOM)

NAVY	510	4670	5180
ARMY	2396	3889	6285
RCAF	2773	2114	4887
CQA		998	998
SUB TOTAL	5679	11671	17350
GRAND TOTAL	6970	13640	20610

The total of 20,600 is comprised of approximately 7,000 military and 13,000 civilian personnel. All three services employ a large number of civilians in the supply depots and repair activities, and in the navy the dockyard labour staff is almost entirely civilian. It is estimated that the strength of materiel command by the end of March 1967 will be in the order of 18,000 of which roughly two thirds or 12,000 will be civilian and 6,000 military personnel.

Now, I would like to say a word about the operation of our bases.

The total of 20,600 is comprised of approximately 7,000 military and 13,000 civilian personnel. All three services employ a large number of civilians in the supply depots and repair activities, and in the navy the dockyard labour staff is almost entirely civilian. It is estimated that the strength of materiel command by the end of March 1967 will be in the order of 18,000 of which roughly two thirds or 12,000 will be civilian and 6,000 military personnel.

13. *Operation of Canadian Forces Bases.* One of the early organizational changes in the program to integrate the Canadian forces was the amalgamation of staffs and services required below command headquarter level to administer and support units based in a particular locality. Normally, where more than one unit is to be administered, these staffs and services have been organized as Canadian forces bases. Five bases have been assigned to materiel command namely: Moncton, Montreal, Rockcliffe, Cobourg and London. In addition to the bases mentioned, this headquarters commands a number of units which are lodgers on bases of the other functional commands, as displayed on the chart before you. An example of this is the air force repair depot, No. 6 repair depot, at Trenton, Ontario, which is a materiel command unit but which is lodged on an air transport command base. Another example as a lodger unit is the dockyard in Halifax which is a materiel command unit lodged on a maritime command base.

MATERIEL COMMAND BASES

COMPOSITION OF BASES

	Support Units	Integral Units	Lodger Units
CFB MONCTON.....	1	1	5
CFB MONTREAL.....	13	11	12
CFB ROCKCLIFFE.....	6	11	22
CFB COBOURG.....	3	1	—
CFB LONDON.....	9	2	9

Base: An organizational level below that of a Command. It provides administrative and supporting services for units assigned to the base.

Support Units: Units added to the Base to provide support services not already organic to the Base.

Integral Units: Units that perform functions for which the Base exists. They are functionally controlled by the same Command that exercises Command over the Base Commander.

Lodger Units: Units functionally controlled by a Command other than the one exercising Command over the Base Commander.

In conclusion, gentlemen, may I reiterate that while the development and implementation of a single automated supply system will take three to five years a number of preliminary steps have been taken with encouraging results. The integration of the cataloguing function; the merging of the former inspection services, the Air Force Chief of Quality Control, principal naval overseers of the navy and the air force technical services units under a Deputy Chief of Staff Quality Assurance; and the transfer of technical support of all aircraft to the air force logistics system. All these steps have proved to be effective and economic measures. Further, consolidation of overlapping activities and transfer of common classes of materiel to a single supply system will take place where such action is consistent with, and will ease the problem of reaching a single integrated supply and maintenance system. I am confident that there will be a significant personnel saving and that we will come close to our objective of an initial 15 per cent reduction in personnel and an ultimate objective after we are fully implementing the single supply system of a 30 per cent reduction. During this transitional phase, that is until we are able to operate a single integrated system the disruption in the logistic support of the operating forces will be kept to the minimum.

Again, gentlemen, I am very happy to have had this opportunity of giving you, however briefly, a rundown on the materiel command headquarters and its responsibilities, and if there are any questions I will do my best to answer them.

The CHAIRMAN: I think it will be advisable to have some questions now.

Mr. WINCH: Mr. Chairman, I would be most interested—I am sorry, but I believe it is Major General—

Maj.-Gen. ROTHSCHILD: That is right, yes.

Mr. WINCH: I would like to ask the Major General two questions which rather intrigue me and upon which I think information was not given, are as follows. The first has to do with policy on the purchase of equipment which is the responsibility of the Department of National Defence. The actual obtaining of equipment is then transferred to the Department of Defence Production. I would like to ask, because I did not get it from what was said, what is your line of communication or liaison between yourself as the commandant of materiel command with defence production, when the material comes in?

Maj.-Gen. ROTHSCHILD: Perhaps I should go back a little bit. The policy on the purchase of new items of equipment, that is, other than straight re-supply for equipments which are now in inventory is made by National Defence headquarters, and the liaison with the Department of Defence Production is done between Department of Defence Production and National Defence headquarters or Canadian forces headquarters. Now, once that equipment comes into inventory; in other words, once it comes out of the factory and is delivered to me, that is when I take on responsibility for it, and from then on I am responsible for keeping it up to scale and in good repair. This is done either within our own in-house resources or through contract. Where it is done through contract, these contracts are arranged with the Department of Defence Production and I have a liaison channel with Department of Defence Production to effect this type of purchase or repair contract.

Mr. WINCH: You have almost come to the point I was after. Do you say it was not until it is delivered that it becomes your responsibility?

Maj.-Gen. ROTHSCHILD: Correct, sir. I do not assume responsibility—

Mr. WINCH: Suppose you are buying new planes or anything at all, you are not in a position to know what you may need in the way of equipment until it actually arrives in your hands? Or do you know beforehand so that you can stop—and I will put it this way, I hope you know what I mean.

Maj.-Gen. ROTHSCHILD: I know what you are getting at, yes. No, throughout the whole decision process, right from the beginning when an operational requirement comes, or is raised by the operational command or by the operational branch at Canadian forces headquarters, almost from the start we are kept in the picture here because we have to advise them on the amount of spares that will be required, the amount of maintenance that will be required, and we are in the picture the whole time, and there is a great deal of chit chat back and forth.

Mr. WINCH: But who orders the equipment which you think is required? Have you the authority?

Maj.-Gen. ROTHSCHILD: The only equipment that I think is required is the equipment that is needed either to repair existing equipment, in which case I order this, or which is required to provide the spares for new equipment, ground support equipment, in which case it is normally part of the new equipment purchase and I advise Canadian forces headquarters, who have the primary responsibility for purchasing new equipment, of what the support equipment requirements are.

Mr. WINCH: I am sorry, I am going to ask a supplementary question on this again. When new equipment is authorized and has been ordered by the Department of Defence Production, do you have any of your staff officers or experts working with them immediately to find out what you may require?

Maj.-Gen. ROTHSCHILD: Yes, this is a two way discussion right from the time a new piece of equipment is decided upon. We have to find out where the equipment can be obtained.

Mr. WINCH: Do you have staff officers or experts working with Defence Production when a decision is reached by them?

Maj.-Gen. ROTHSCHILD: Yes, we do.

Mr. WINCH: Now, my second question may sound rather complicated, I hope it is not too complicated. I was most interested to hear you say that you had 850,000 items and you hope eventually to reduce that by 18 per cent. My question is this: Will 850,000 reduced by 18 per cent be categorized by personnel handling or by a computer system, and if by computer, will you please tell me—and I think the others will be interested—whether your computer system will be able to give answers on materiel, and what might happen if there is a change in government policy or if an emergency arises? Can your computer answer that question or will it be personnel handling?

Maj.-Gen. ROTHSCHILD: The computer can only answer a question that it is programmed to answer; in other words, it cannot exercise any judgment.

Mr. WINCH: Maybe you do not understand my question. How are you, sir, in command now, going to handle all this and how is it going to be worked out in the event of an emergency?

Maj.-Gen. ROTHSCHILD: This is what I have a logistics staff for. They are the people who exercise judgment, or advise me on what judgment should be exercised over the management of these various items. Now, a great deal of this, and by far the bulk of it in quantity, is high volume, low cost items which are capable of and lend themselves to being handled by a machine automatically provided the machine is programmed to do this. The high cost items are usually low volume items and these will be the ones that will require the most management by a human being as opposed to by the machine. One of the basic criteria in our system that is in the process of being developed, this single integrated supply system, is that it must be responsive to an emergency. One of the ways in which we will meet an emergency will be the level of stocks of a particular item of equipment that we carry in our wholesale depots and that are carried in the retail depots.

Mr. WINCH: Will this be done on a computer system?

Maj.-Gen. ROTHSCHILD: The initial calculation of what is required in most cases will probably be done by an individual and be programmed into the computer so that once it is programmed the stock level will be kept up at a certain point and once an item starts to get below that stock level, the computer will automatically cough up the fact that it is time to buy more socks, shoes, nuts and bolts. This is now so, so far as the air force is concerned and has been for some time.

Mr. CARTER: I have two questions. I was interested in the process by which you reduce these items from \$50,000 down to 700,000, I think it is. Does that mean that at the present time there is essentially one item with three names? The air force calls it one thing, the navy calls it something else? Are you going to replace the three by a single item?

Maj.-Gen. ROTHSCHILD: There are two things involved here I think, sir. In some cases we are calling one thing by three names. In other cases, we have three different things where perhaps one could do. In other words, we will be able to standardize.

Mr. CARTER: But that standardization will vary with the type of equipment. You will be always in a constant state of—

Maj.-Gen. ROTHSCHILD: This is correct. This always has to be kept up to date and this is why we are going to continue to need a fair-sized cataloguing staff; once this whole rationalization of the various items is completed, we cannot just get rid of our cataloguing staff.

Mr. CARTER: Your materiel command, you mentioned socks as well as nuts and bolts; does this include food, too?

Maj.-Gen. ROTHSCHILD: Food, p.o.l.—that is petrol, oil and lubricants, spare parts for tanks, trucks, ships, aircraft, aircraft engines; electronic equipment; anything that is used by the three services.

Mr. CARTER: Mass items, like food, which is consumed in large quantities, do you stockpile that?

Maj.-Gen. ROTHSCHILD: No, we do not. This is a routine purchase and we only keep a few days supply of this on hand at any one time, and these are basically kept or purchased mostly near the user.

Mr. CARTER: You mentioned quality control in one of your papers; do you have a constant process of examining foods, testing, et cetera?

Maj.-Gen. ROTHSCHILD: This is done in two ways. One is to make the contractor responsible for his own quality control. In other words, the contractor has to satisfy the Department of Defence Production and ourselves that his process and manufacture, et cetera, meet a certain standard that we feel will satisfy the quality control of the equipment being produced. The second way is to actually have people inspecting samples as they come off production of the stuff that is being produced. A good example of this is the ammunition which is being produced by various firms from whom we order it.

Mr. CARTER: And do you apply that same process to foods. Do you have people inspecting food?

Maj.-Gen. ROTHSCHILD: Yes.

Mr. WINCH: I have a supplementary, sir. Does your command of Materiel Command extend to the supplying of our forces in Europe?

Maj.-Gen. ROTHSCHILD: In certain instances, yes, it does; for peculiar Canadian items.

Mr. WINCH: Not for food?

Maj.-Gen. ROTHSCHILD: No, not food. Food is provided to the brigade in Europe through the British supply system.

Mr. WINCH: You have not got a complete integrated materiel command under your authority at the moment?

Maj.-Gen. ROTHSCHILD: I think I have, sir, in Canada. Because I have no wholesale outlets at all outside the country. If there were wholesale outlets that were being operated by the Canadian forces outside Canada I would operate them. In other words, if there was a Canadian wholesale supply depot supplying the Canadian forces outside Canada, it would be my responsibility to operate that.

Mr. WINCH: In Europe we operate through the United Kingdom?

Maj.-Gen. ROTHSCHILD: And through the American system for the air division, except for the peculiar Canadian items which we inject into the system.

Mr. WINCH: I do not like them getting their fish from United States; they should get it from British Columbia.

The CHAIRMAN: Mr. Carter, have you finished?

Mr. CARTER: No. I have just one more question. I am having a little difficulty in fixing in my mind just in the case of perishable foods how you manage to get it from one place to where it is needed quick enough so that you avoid this sort of—

Maj.-Gen. ROTHSCHILD: Well, most of this is purchased close to the user. In other words, we do not purchase all our food from one place and then distribute it across the country. The troops, navy, army and air force in the Halifax area, by far the bulk of their food, certainly the perishable ones are purchased right in the area.

Mr. CARTER: And ordered from here? What is the chain of command for that order to get down to the unit—

Maj.-Gen. ROTHSCHILD: There is a local staff at the base which places the order with whatever local firm is concerned.

Mr. CARTER: In other words, they have a certain amount of autonomy.

Maj.-Gen. ROTHSCHILD: Perhaps I could elaborate this a little further. There are some 20 odd small food supply depots across the country and the food for the units across the country is ordered by these small supply depots. They are called detail issue depots. They purchase the food locally and then deliver it to the consumer, i.e. the unit.

Mr. CARTER: But you have some record of that.

Maj.-Gen. ROTHSCHILD: Yes, yes, we know. It comes into our system here from these detail issue depots.

The CHAIRMAN: Gentlemen, I do not want to hold up the questioning at all. We have four more questioners, and we also have a tour, and I do not know how you are pressed for time. We would like to get this tour in as quickly as possible.

Maj.-Gen. ROTHSCHILD: I was told that you wanted to get away from here about—

The CHAIRMAN: Mr. Lambert, do you have a question here?

Mr. LAMBERT: Yes. Within the framework of materiel command, where does it now get the proving and evaluation establishment that used to exist.

Maj.-Gen. ROTHSCHILD: It is part of the quality assurance organization, sir.

Mr. LAMBERT: Now, within that do you do what you would call independent evaluation? I am comparing it a bit with the American system where rather than having the contractor do all the evaluating and proving the Canadian armed forces buy equipment and they put it through their paces.

Maj.-Gen. ROTHSCHILD: Now, I think you are talking about two different things here. I am talking about the proving or testing of this materiel to see whether it meets the standard that we have laid down for the production of this. I am not trying to test this equipment from a user point of view. In other words, I am not trying to see whether, let us say it is a tank, it will make a good combat tank for the armoured corps. That is up to the armoured corps to do.

Mr. SMITH: Do they still have classifications on other unsophisticated items, for example, tires and tire quality tests? Who sets these?

Maj.-Gen. ROTHSCHILD: These are set in conjunction with the chief of technical services branch at Canadian forces headquarters.

Mr. LAMBERT: What I am talking about, I suppose, is really old R and D?

Maj.-Gen. ROTHSCHILD: Research and development?

Mr. LAMBERT: That is right.

Maj.-Gen. ROTHSCHILD: No; this is not my responsibility.

Mr. LAMBERT: The development of the flight simulator.

Maj.-Gen. ROTHSCHILD: This is not my responsibility. This is the responsibility of the chief of technical services.

Mr. LAMBERT: And does such a branch exist?

Maj.-Gen. ROTHSCHILD: Yes, this is one of the branches at Canadian forces headquarters headed by General Lilley. I might add here that my quality assurance organization in addition to doing the testing and proving for me of items of resupply in the supply system also has a responsibility to the chief of technical services for the testing and proving of new items of equipment.

Mr. HOPKINS: My question has been prefaced by some of your remarks, sir. I understand that in the past there has been considerable duplication in the inventories of the three services. Have you any idea how much will be saved by the more streamlined or centralization of taking inventory as it is set up now?

Maj.-Gen. ROTHSCHILD: This is very difficult to say, sir. By far the bulk of the duplication was in the low cost items and consequently, while there will be a significant reduction in the number of items, these do not represent by any means the greatest cost. I would not like to guess what the dollar saving would be here. I think a greater dollar saving would result from automating the whole thing and consequently being able to perhaps reduce your safety stock level that you keep in the wholesale system, than there would be a dollar saving in eliminating duplication. I would not like to take a guess at what the dollar value of the saving would be as a result of eliminating duplication.

Mr. ROCK: Yes. This is a different line of questioning on this. Questions were asked in detail about stocks. I am concerned about the study that headquarters made with regard to the potential targets in case of war vis-a-vis where the supply bases were placed. I noticed in your expose that all supply bases are in central, big cities. I am just wondering how they came to the decision to place supply bases in certain places in the atomic age. In case of an atomic attack we would be completely wiped out, if the enemy wiped out our main cities. All your supply bases are in main cities. Not only that, but your command, command headquarters, the mobile command, for instance, in Montreal is right in a target area. So is the airfield there in a target area. So is the Lasalle naval depot in a target area. This is what I am concerned about. How did headquarters come to this type of a decision?

Maj.-Gen. ROTHSCHILD: I do not know that I can answer that. This happened some time ago. However, perhaps I can elaborate a little bit.

Mr. ROCK: I am speaking of the atomic attack, I am not speaking of the other type of attack which would be all right; but when it comes to an atomic attack it is wiped out. What have we got left?

Maj.-Gen. ROTHSCHILD: We have significant bases, wholesale depots, which are outside target areas. I am thinking of Moncton; this is a wholesale base; Cobourg. It is doubtful in my mind whether Edmonton is a target area. Those are three wholesale depots themselves. But our concept is based on a depot complex, and by having our range of materiel that is required by the troops served by a particular complex, carried in that complex, plus a level of stocks which are held in the retail system at the various other command bases across the country, we hope to effect the necessary disbursement which the degree of risk that we are taking will cater for.

Mr. Rock: Another thing, General, that I notice is that your bases are not in areas of proper communication. I mean, they may be within a given area of 20 mile radius, but the bases are not say close to an airfield, the railroad, water, or highways. I am only thinking of an emergency. I am not thinking of peacetime. I am thinking of an emergency. If the potential enemy does attack, it will be an atomic war more than anything else and I am always thinking of it in that sense. I am thinking that if roads are out, well you may still have water, or if water is out you may still have the air base because it is not in a central location. You have something to communicate with. But the way it is now I do not see that.

The CHAIRMAN: I wonder if I could interrupt here. I think this is a little bit outside the purview of the Major General's operations here. I do not want to cut you short, but we are a bit pressed for time here. For example, I am going to have to apologize to you, General, now for having to leave myself with two of my colleagues. I have an appointment at five o'clock and I have asked Mr. Lambert if he would mind taking over. I want to remind all the members that we have a tour which is laid on. There are two more questioners, Mr. McNulty after Mr. Rock.

Mr. Rock: You are putting me out of order, is that it?

The CHAIRMAN: I think on that one question, Mr. Rock, if you would not mind. Perhaps you could ask that question of the Minister when he comes before us tomorrow.

The VICE-CHAIRMAN: Would you excuse me please? Because of the time sequence and other people have got commitments later on, I would suggest that we finish our questioning by a quarter to five, another four minutes, and then give at least 15 or 20 minutes—I am sure that it will take even more than that—for a very sketchy tour of the facilities—therefore call on Mr. McNulty?

Mr. McNULTY: General Rothschild, what is the reason for such a high proportion of civilian personnel?

Maj.-Gen. ROTHSCHILD: Well, this really goes back to the individual service policies before integration. I cannot really tell you what were the factors that went into making up those policies, but we inherited, on integration, an air force system, as I indicated, which had the smallest proportion of civilians as opposed to service personnel in it; a naval system which had a very high proportion of civilians and an army system which fell somewhere in between the other two. It so works out that once you throw them all together into a pot about two thirds of the personnel of the command turn out to be civilians.

Mr. McNULTY: Do you have any thoughts of training your own people or letting attrition look after the civilian personnel?

Maj.-Gen. ROTHSCHILD: This I think is a policy matter really, the employment of personnel.

Mr. LANIEL: My question is fairly short. When you speak of stocking you speak of materiel on hand in your wholesale business. But do you take account of an emergency that will bring on additional needs and is that why you speak of the possibility of materiel coming from outside, I mean your suppliers and immediate stocking from the industry, their possible output; does that come under your jurisdiction?

Maj.-Gen. ROTHSCHILD: No. This is a Department of Defence Production task.

Mr. WINCH: I have a very brief question sir. I put it because I am not only a member of this Committee, but I am also a member of the public accounts committee. You are in command of materiel command; is it your department decision as to what surplus stock is turned over to Crown Assets?

Maj.-Gen. ROTHSCHILD: No. It is not. This is the decision of Canadian forces headquarters.

Mr. WINCH: Not materiel command?

Maj.-Gen. ROTHSCHILD: Not materiel command.

Mr. WINCH: Materiel is under you, is it?

Maj.-Gen. ROTHSCHILD: This is correct. I advise Canadian forces headquarters when we have stock which is available for disposal, or which we consider is available for disposal. The decision whether or not to dispose of this is a matter which Canadian forces headquarters has reserved unto itself.

Mr. WINCH: My question will be out of order on policy then, as to why the second step, that is a matter of policy.

The VICE-CHAIRMAN: Gentlemen, General Rothschild, we would like to thank you for your briefing this afternoon and the presence of your officers and we will thank you ahead of time for the information we will get on the tour.

Gentlemen, this question period is now adjourned and we will fall in for the tour.

Maj.-Gen. ROTHSCHILD: The first part of the tour will be data processing.

The VICE-CHAIRMAN: Could I get an estimate as to how long, what is the target time? We would like to without fail be back at the buildings by 5.30 p.m. Is that clear with everybody?

Maj.-Gen. ROTHSCHILD: It is a quarter to five now. I would suggest you spend about twenty minutes with Wing Commander Sherry in the data processing centre and then if you would get in the bus W/C Noble will take you on a very quick Cook's tour around the base. There is tea here, gentlemen, if you would like a cup before you go, or coffee. It is just outside in the hall.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations
and/or a translation into English of the French.

Copies and complete sets are available to the
public by subscription to the Queen's Printer.
Cost varies according to Committees.

LÉON-J. RAYMOND,
The Clerk of the House.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966



STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

FRIDAY, JUNE 10, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Mr. E. B. Armstrong, Deputy Minister of National Defence; and Lieutenant General F. J. Fleury, Comptroller General Canadian Forces Headquarters.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

FRIDAY, June 10, 1966
(11)

The Standing Committee on National Defence met at 9.40 a.m. this day with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Brewin, Carter, Deachman, Dubé, Éthier, Foy, Groos, Harkness, Hopkins, Lambert, Laniel, MacLean (*Queens*), MacRae, McNulty, Rock and Winch (16).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Mr. E. B. Armstrong, Deputy Minister; and Lieutenant General F. J. Fleury, Comptroller General Canadian Forces Headquarters.

Continuing under Item 1. Departmental Administration etc. of the Main Estimates 1966-67 of the Department of National Defence, the members resumed their questioning on subjects related to integration and the reorganization of Canadian Forces Headquarters.

Included in the discussions, there were questions by members on the following subjects:

1. effects of automation in the supply system and ownership of computers,
2. additional stages in the intergration process,
3. Headquarters reorganization,
4. food services and catering,
5. forecasts of new equipment and personnel requirements,
6. nature of survival organization,
7. possiblity of centralizing Canadian Forces in Europe,
8. working conditions and morale problems.

The Minister agreed to forward information in tabular form, as suggested by Mr. MacLean (*Queens*) which will show numbers of personnel of the rank of Colonel and above (including civilians of equivalent rank) for the years 1963 and 1966.

The examination of the witnesses continuing, the meeting was adjourned at 11.00 a.m. The Chairman announced that the next scheduled meeting is Thursday morning, June 16, 1966, when the Committee will travel to Trenton for the Air Transport Command briefing.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

FRIDAY, 10th June, 1966.

● (9.40 a.m.)

The CHAIRMAN: Gentlemen, I call the meeting to order.

We will continue our discussion today under item 1 of the estimates.

This morning the Minister is present for the continuation of the questioning. When we adjourned on Thursday Mr. MacLean was in the course of asking some questions. I would like to ask Mr. MacLean if he would care to continue.

Mr. MACLEAN (*Queens*): I was almost finished. I just have one or two brief questions.

With regard to the integration of Materiel Command to service all three services, there will be, or should be, very considerable savings, I presume, in manpower especially. Is there any breakdown on how much of this can be attributed to integration as such and how much is attributable to automation and more advanced methods which will be brought into use concurrently with integration?

Lieutenant-General F. J. FLEURY: (*Comptroller General, Canadian Forces Headquarters*): Well, sir, there is no doubt at all that with the integration of the three existing supply systems there will be a considerable saving in manpower and, possibly more important, a substantial saving in inventory.

What this is going to work out to I can only speculate, but our target is in the order of 30 per cent in manpower. But I would like to point out quite clearly that this is a long range proposition because, as I mentioned yesterday, we will not get to a single automated supply system in less than three to five years.

The air force supply system was already highly automated; the army supply system was not quite as automated but still had computers and a semi-automated system.

I think it is true to say that the navy supply system was not as highly automated, but it did not need to be because of the almost entire concentration of the navy in two locations.

There will be additional savings through automation but I cannot estimate what they will be. Our target for savings in manpower through integration is 30 per cent in Materiel Command.

Mr. WINCH: May I ask a supplementary, Mr. Chairman? Is the computer system which we saw yesterday from Materiel Command owned or rented?

Lt.-Gen. FLEURY: My recollection is that it is rented. Most of our computers are rented. I can find out for sure. I do not really know.

Mr. E. B. ARMSTRONG (*Deputy Minister, Department of National Defence*): It was originally rented but now it is owned by the Department. You are talking about the one out at Air Materiel Command?

Mr. WINCH: Well, of course, that ties in with your computers across the country. Are they now owned or rented?

Mr. ARMSTRONG: That particular one, the 705, is owned. We have a lot of rental equipment, and the equipment across the country, for the most part, is probably rented, but some of it would be owned and some rented. That particular installation which is an IBM 705 which you saw at Air Materiel Command is owned by the Department. It was decided some four or five years ago that it would be economic to buy it.

Mr. WINCH: I do not want to interrupt here, but I think the answer to this question ties in: Is it more economical or efficient to own or rent, with all the ramifications of your computers across Canada? Which is more economical?

Mr. ARMSTRONG: I do not think you can deal with it on a broad basis. You have to look at the individual cases and make a decision at the time.

Mr. MACLEAN (*Queens*): Have there been any studies done in the past to indicate what savings were attributable to automation in the Air Materiel Command, for example, either against its own previous performance or against the performance of the supply system of the other two services? I mean just in general terms, with regard to saving in manpower on one hand and the ability to keep a lower level of stocks and for there still to be sufficient?

Mr. ARMSTRONG: I have no figures which I can give you on that sir. All I can say is when the RCAF introduced its automated system—and I must add that I had nothing to do with this at that time which was some years ago—the principle was that they could carry the bulk of their stocks centrally and get urgent items distributed by air quickly through an automated system.

The purpose of the exercise at that time was not so much to save on personnel as on inventory. What this percentage was I have not the foggiest notion.

Mr. MACLEAN (*Queens*): It was the automation which enabled them to close down the supply depot at Langav in England at one time.

I just have one brief question in the interests of clarification. Yesterday you said that the recruiting system of the services was completely integrated, and that I know, but what is the position of the recruit? The training is also integrated to some extent—the basic training—I understand. Has the recruit still a complete choice on which of the three services he serves in, or after his basic training, could it be decided to post him to one of the three services, or at some stage after he joins up? Does he join the services generally or does he join one of the three services?

Lt.-Gen. FLEURY: At the moment he joins one of the three services.

Mr. BREWIN: I want to try to understand a little more clearly the final goal of integration.

If I may say so, General Fleury was very clear about how far we had gone, and I noticed that in the white paper it was stated that we would have a single chief of defence staff, which we have, and a single defence staff—the first step

toward a single unified defence force for Canada. The Minister, when speaking to us on May 12, said we have now reached the stage where of the final step towards a single unified force as forecast in the white paper. This is the objective, a single unified force which is to be completely integrated.

Then the Minister said that because of a number of details such as the single uniform, same rank designation, the name of the force and so on, no final decision had been taken in respect of these matters.

Is it still planned eventually to arrive at a force which would be unified in practically all of these aspects?

Mr. HELLYER: It would be a single unified force, Mr. Brewin. In order to have a single unified force, however, legislation is required.

Mr. BREWIN: I see. It has not yet been decided to proceed with this legislation, but it remains an objective?

Mr. HELLYER: That is correct.

Mr. BREWIN: When it is achieved it at least might be contemplated that you would have a single walking out uniform and the same rank designation. In other words the differences between the three forces, as we now know them, would eventually be wiped out, assuming the legislation were approved.

Mr. HELLYER: To a large extent, that is correct. There are some caveats, however, which would have to be entered, in so far as maintaining, particularly at the unit level, as much of the tradition and colour as possible.

Mr. BREWIN: You mentioned that the steps already taken towards integration had highlighted certain anomalies, such as different terms of service. They exist now, but you plan to have a uniform term of service.

Mr. HELLYER: That is correct. There are many anomalies. They have existed for some time. However, they come more into focus when members of the three armed forces work more closely together in integrated headquarters command.

The anomalies include, for example, different retirement ages, different policy in so far as promotion from the ranks is concerned. There are a number of anomalies which should not exist between people doing the same kind of work.

Mr. BREWIN: It is contemplated that as the integration becomes more complete these anomalies will be removed.

Mr. HELLYER: That is correct.

Mr. BREWIN: I just want to ask how this fits in with the operational end of things? If you concentrate on a mobile force it is contemplated as an integrated operation in which units that were of the navy, air force and the army go into a joint operation. Is that right?

Mr. HELLYER: These two ideas I think, would have to be considered separately. One is the anomalies between members of the three forces doing the same kind of work, and the other is the bringing together of operational units to work in an integrated command.

Mr. BREWIN: I had really passed from one to the other because I thought you had satisfied me that you were going to iron out these anomalies. Now I

would like to get on for a moment, if I might, to what is contemplated in the type of force or operation. It is correct, is it not, that the so-called mobile force—the mobile command—contemplates what one might call a tri-service operation, or an integrated operation to include elements of what were known as the three separate services in the past.

Mr. HELLYER: You will be briefed on this by mobile command, Mr. Brewin. It consists now largely of elements of two services—the active elements of the army plus the tactical air units which are being formed. It will be backed up, however, by other commands, including maritime command and the strategic airlift from air transport command.

Mr. BREWIN: I am just trying to get a contrast, if I can—to see if it is correct—between the present situation where, for example, our brigade in Germany is an army operation entirely . . . ?

Mr. HELLYER: That is correct.

Mr. BREWIN: The air division is an R.C.A.F. operation entirely?

Mr. HELLYER: That is correct; with some minor reservations such as the fact that in the support element the dental corps is army, and there are some naval personnel working in the air force hospital. In support areas there is already some degree of integration in the air division, but it is still small.

Mr. BREWIN: I suppose our operation under NORAD is an air force operation?

Mr. HELLYER: It is primarily an air force operation, although again there are certain army liaison officers involved in it in respect to their civil survival responsibilities.

It might interest the committee to know that NORAD includes, I think, elements of five different forces co-operating in the same mission. It depends entirely on the weapons systems operated by those forces with regard to which ones are included in the NORAD mission.

Mr. BREWIN: One more question and then I am through. In order to follow this thought through, as you concentrate on, and simplify, the Canadian role, instead of having a number of different roles this would be an aim which would be encouraged by the integration of the forces, would it not? I mean the two are related—the integration of the forces on the one hand and the concentration on, say, the mobile role?

Mr. HELLYER: The more roles you have to perform the more complex an organization must be to fulfil them. The fewer the roles the simpler the organization can be. However, I do not think the two things are necessarily related in the context in which you put them.

Mr. BREWIN: You do not think that, for example, if you have an operation of an army brigade at one place and an air division at another, the continued division in the separate services perhaps makes sense, but if you are concentrating on operational unity then that creates a situation from which integration naturally follows.

Mr. HELLYER: I would put it this way: that it would be even more urgent under those circumstances.

Mr. BREWIN: Thank you.

Mr. HARKNESS: Organization at headquarters here in Ottawa, which was shown to us on these charts yesterday, is very considerably different from the organization which we were told had been put into effect, or was in the course of being put into effect, about a year ago. At that time you had a vice chief of defence staff under whom there was an assistant chief, and intelligence plans, operations requirements and things of this sort were in his province; and you had a chief of operational readiness. Now the vice chief of defence staff and the assistant chief of operational readiness have all, apparently been telescoped into one. The vice chief of defence staff now has everything, as far as operations are concerned, under his control, as I understand it? Is that the situation?

Mr. HELLYER: That is correct.

Mr. HARKNESS: When was this change made?

Mr. HELLYER: If I remember correctly, about August of last year.

Lt.-Gen. FLEURY: September.

Mr. HARKNESS: And what were the reasons for it?

Mr. HELLYER: A number of interfaces became apparent between the two organizations, where there was a certain element of duplication in the work being performed. Although the duplication was not great, we came to the conclusion that we could improve the efficiency of the organization and, at the same time, save a number of additional personnel by combining the two organizations.

Mr. HARKNESS: In other words, you found that this proposed set up was not actually a very good type of organization.

Mr. HELLYER: We found that the one we now have in effect is a better one.

Mr. HARKNESS: In other words, what you have done, in effect, is to come back to the original division of responsibilities, to a large extent, which exists in every staff and armed forces, under what was always known in the army as the "G" branch, the "A" branch and the "Q" branch.

Mr. HELLYER: Mr. Harkness, actually the organization we now have was contemplated at the time we showed you the one put into effect at the time the headquarters were integrated; but during an interim period—and I cannot remember whether this was stated before the committee or not—it was felt by the chief of defence staff that he would like to have an assistant chief directly under him in order to have a very close relationship during the first critical stage of the re-organization.

It was, however, recognized from the outset that ultimately we would have the organization we would now have.

Mr. HARKNESS: Why was that not indicated to us last year? At that time this chart, of which I have a copy before me, was supposed to be the definite organization you were going to work on.

Mr. HELLYER: I cannot recall whether or not it was, Mr. Harkness. If it was not, I presume it would have been either inadvertent, or perhaps the question was not raised.

Mr. HARKNESS: The question was certainly raised. As a matter of fact we had a considerable amount of discussion. I myself raised a lot of questions with regard to this particular type of organization at that time.

Mr. HELLYER: If that is the case I am sorry we did not give you that indication; but it was certainly very much in our minds.

The CHAIRMAN: Mr. Lambert, do you have a supplementary?

Mr. LAMBERT: I will follow Mr. Harkness in the same order.

Mr. HARKNESS: In this organization, as it exists at the present time, what does the chief of defence staff's own staff consist of now?

Lt.-Gen. FLEURY: Within CFHQ he has reporting to him only his own personal staff plus the four branch heads. He is at the top of the military pinnacle, but he does not have any, shall we say, extraneous agents, or agencies reporting to him other than the four branch heads and his own personal staff.

Mr. HARKNESS: What I am getting at is what does his own personal staff consist of, through which he can exercise control over these four branches and over the defence activities as a whole?

Lt.-Gen. FLEURY: His own personal staff comprises an executive assistant at about the colonel or brigadier level; one or two personal assistants of field officer rank, and he has reporting to him the defence staff secretariat which is a considerable organization with offshoots in each of the four branches. This is another concept that was unknown in the army and the air force, but very much known in the navy previous to integration where there was a naval secretariat. It performs a very considerable co-ordination function at all levels.

Other than that, I do not think that I, as comptroller general, Mr. Harkness, would be very happy about having some sort of subordinate staff interposed between the chief and his branch heads. After all, they must have access to him, and vice versa, directly. This is carried on in a variety of ways, notably by a meeting not less often than once a week which is known as the CDS staff meeting when the chief, his four branch heads and the secretary of defence staff and, in most cases, the deputy minister meet around a table.

Mr. HARKNESS: What about the defence council which was supposed to take the important decisions with regard to this? Where does this fit into the picture now?

Lt.-Gen. FLEURY: The defence council, as I indicated yesterday, consists of the Minister, the Associate Minister, the deputy minister, chief of defence staff, vice-chief of defence staff and the chairman of defence research board. They meet periodically under the chairmanship of the Minister.

Mr. HARKNESS: What is by no means clear to me is what difference there is in this form of operation, at this particular level, from what was the case when the chief of defence staff was the chairman of the chiefs of staff. His personal staff is about the same size, as far as I can determine from what you have said, and the amount of direct control which he exercises is, I presume, approximately the same?

Lt.-Gen. FLEURY: I think that is a fair statement, Mr. Harkness. The difference obviously is that the chairman is not now dealing with three chiefs of three armed forces but dealing with four branch heads organized on a func-

tional basis: operations, personnel, technical services and comptroller general. In other words he is dealing with functional chiefs rather than service chiefs.

Mr. HARKNESS: As far as actual control at this level is concerned, however, there is no practical difference.

Mr. HELLYER: I do not agree with that at all, because the chief of defence staff has executive authority and complete control of the three armed forces.

If a decision is taken to adopt a common policy for all of the armed forces this is directed by him, and there is no longer any necessity for obtaining the approval of the three service chiefs, or a direction from the Minister that the three services adopt the same policy. This is an executive line function of the chief of defence staff. There is, in fact, a very real difference from what was previously the case.

This is, I think, equally, or even more importantly, true in the preparation of plans and programs, where, as I am sure the General explained to you, we have now an integrated defence plan, and the requirements in manpower and materiel for the three services—the total operations—are combined in a single plan and presented to defence council and the Minister for approval as a single integrated defence plan.

This is completely new. This has not been done before. There is, in fact, a completely fundamental difference in the organization.

Mr. HARKNESS: It would appear to me that the difference is fairly artificial, actually.

Mr. HELLYER: It is not artificial, Mr. Harkness. The difference is that we now have a system for three forces in one, which used to apply individually to each of the three. It is a profound difference.

Mr. HARKNESS: What has happened, as far as this general organization is concerned, to these various deputies? The vice chief of defence staff has become, in effect, what was the chief of operational readiness, and instead of having one deputy, as I remember this chart yesterday, now there are three. Is that the situation?

Lt.-Gen. FLEURY: This is correct. There are three deputy chiefs in that branch. But I do not think there was only one in the old organization.

Mr. HARKNESS: That is all that this chart shows that we had a year ago.

Lt.-Gen. FLEURY: There was also the assistant chief of defence staff, and that accounts for a second one; then as I indicated, I think, yesterday, the deputy chief, reserves the third one which is an entirely new organization. He is both staff officer and for all practical purposes a commander.

Mr. HARKNESS: As far as personnel is concerned is there a chief and one deputy, or are there two deputies?

Lt.-Gen. FLEURY: There is one deputy in personnel.

Mr. HARKNESS: What about logistics and engineering?

Lt.-Gen. FLEURY: There are about five, if I recall correctly. I think I indicated this was the largest and most complex branch. There is a caveat there. Of the five deputies, two are not of major general or equivalent rank; two of them are brigadiers or equivalent.

Mr. HARKNESS: As this thing was projected a year ago there were supposed to be two deputies there, one for logistics and one for engineering development. That has all been completely changed around. I take it? Instead of that you have five deputies dealing with different branches of that division of the staff.

Lt.-Gen. FLEURY: I would point out again that the deputy chief of communications and electronics and the deputy chief of construction and engineering, I think, speaking from memory, are at brigadier or equivalent rank. There are actually three deputies of major general or equivalent rank.

I was not here under the old organization and I really cannot be precise about what the previous organization was, but I thought that at various times there were two or three deputies of major general rank in the CTS branch.

Mr. HARKNESS: In effect, what has been taking place, and, I suppose, is still taking place, is a general build-up in the number of these deputies and in the organization generally, as a result?

Lt.-Gen. FLEURY: I have not seen any evidence of Parkinson's law creeping in yet. As comptroller general, you can be sure I watch that pretty closely.

Mr. HARKNESS: On the basis of what the original plan was and what is now in effect, it would seem fairly apparent that there has been a considerable amount of this at this level.

Mr. HELLYER: I do not think that is so Mr. Harkness. There is only one accretion and that was the deputy chief reserves, where it is, in effect, a command. Outside of that there has been no—

Mr. HARKNESS: You have five deputies now in this logistics and engineering branch where you were figuring on two.

Mr. HELLYER: I think the problem there is the name. This is the first time I have heard the commander of one of those units referred to as a deputy.

Lt.-Gen. FLEURY: I would also like to add something which I think I mentioned yesterday. We have not yet finished with the organization of the chief of technical services branch. Again, I say, it was the largest and most complex that we had to deal with, and we have not even yet put to the Minister for final approval the final organization in the CTS branch.

Mr. HARKNESS: One of the deputies in this branch we are just talking about, I think you said, was on telecommunications and communications, generally, I take it. That was originally supposed to be under operational readiness. This has been switched from there to this branch, has it?

Lt.-Gen. FLEURY: It was actually split between the two branches in the former organization, and after very considerable argument and discussion, and even refereeing, it was decided to put it in the CTS branch. I think you can readily imagine that telecommunications and electronics spill over into those two branches.

Mr. HARKNESS: I must say I thought this organization was unworkable at the time, and I expressed that view very strongly. I think perhaps the changes which have been made have improved it but I would think there were still probably—

Mr. HELLYER: I agree with that, Mr. Harkness; otherwise we would not have made them.

Mr. LAMBERT: That could be a terrible *non sequitur*.

Mr. HARKNESS: I think probably there would have to be a considerably number more made.

Mr. FOY: Could I ask a supplementary question?

The CHAIRMAN: We have a couple more supplementaries listed, but I will put you down.

Mr. HARKNESS: I understand, for example, that cooking and all this kind of thing is under the personnel branch at the present time. What is the reason for that? How is that going to work satisfactorily.

Lt.-Gen. FLEURY: Food services, or what we used to call in the army, catering, is under the chief of personnel. This was the situation in the R.C.A.F. pre-integration. It was not the situation in the army where catering was under the quarter-master general, and it was not the situation in the navy where food services, or catering, was under the supply branch.

Obviously in the process of integration you have to make some decision on this. You cannot leave it in three different branches because it was in three different branches pre-integration. We have actually put the responsibility for food services, or catering, under the chief of personnel.

If it does not work there, as I think I indicated yesterday, we certainly would not have any hesitation in moving it elsewhere.

Mr. HARKNESS: Would it not be more logical to have it with the rest of the supply services rather than sitting in personnel from which it seems, in its functions and so on, to be divorced.

Lt.-Gen. FLEURY: We have heard many arguments on both sides of that proposition, and I must confess the argument is still going on. To put it simply, the air force people like it where it is, and the navy people do not, and the army people are halfway in between.

Do not forget that rations and all that goes with the supply of food, are still under the chief of technical services.

Mr. HARKNESS: This is why it struck me as quite illogical to have the food services divorced from the general supply of food.

Lt.-Gen. FLEURY: There is a distinction between the actual supply of food and the preparation of menus and all that goes with that. Indeed, you will recall that in the British army, traditionally, they had a separate catering corps which was not part of the army service corps. Whereas, we always had our catering in with the army service corps.

Mr. HARKNESS: We did not always have it there. We developed that during the war.

Lt.-Gen. FLEURY: We had catering officers, as you will recall, but they all wore army service corps badges. They were part of the army service corps.

Frankly, sir, this is a point on which an arbitrary decision has been taken, and I, as comptroller general, have no strong feelings on it one way or the other. The only strong feeling I have is that we have taken a decision and we should give it a chance to work, or prove that it will not work, before we make another change.

MR. HARKNESS: It might seem like a minor point, but the reason I brought it up particularly is that you are well aware the morale of any particular unit depends to some extent on the food which is supplied, the quality of it and so forth. This is always an important consideration whenever you have any considerable body of men together, whether it is in a logging camp or in a navy, an army or an air force.

It would seem to me that this division along these lines is almost inevitably going to result in less efficient general service as far as the food end of things is concerned. It is therefore one of things which will have an adverse effect on morale.

MR. HELLYER: Mr. Harkness, I will comment on this because it is a political question.

There is a body of opinion which felt rather strongly that the air force made the most attractive use of the material supplied. While this opinion may not be universally held there was still quite a body of opinion which felt that way. It was argued that the system they had in effect must have been quite effective and certainly in my travels I had been very impressed with the standard of catering which they had achieved.

I think it is hoped, in some quarters, that we can achieve this standard throughout the service and that this would, in fact, be considered an improvement in some areas.

This may be subject to little political interpretation, but this is an opinion which I have heard expressed and which represents, although not a universally held opinion, at least something of a consensus.

MR. HARKNESS: I think that you would find in the other two services that there would be very little subscription to that idea.

MR. HELLYER: I couched it in very careful language, Mr. Harkness, as you probably noticed.

MR. HARKNESS: Yes, I am very doubtful that you would find many people in the navy or army who would agree with that.

MR. HELLYER: I am not sure that you would not find some that would.

MR. LAMBERT: There might be some in the air force who would argue the other way, too.

THE CHAIRMAN: I have three supplementaries listed on this, Mr. MacLean, Mr. Lambert and Mr. Foy.

MR. MACLEAN (*Queens*): I have a couple of questions. One is with regard to yesterday. At Air Materiel Command we saw the establishment of senior officers there and I think—I am not sure that I can recall—it was around 20, lieutenant colonels, including civilians. Are these establishments filled at the present time with the ranks established?

LT.-GEN. FLEURY: Give or take a very small number. I think the answer is yes.

MR. MACLEAN (*Queens*): I mean generally.

My other question has just arisen. With regard to the catering service, are messing officers now generally trained dietitians and mostly women, or are they male catering officers or are there some of each?

Lt.-Gen. FLEURY: Traditionally, in the RCAF there has been a considerable number of female catering officers. There have been none in the army and none in the navy.

Mr. MACLEAN (*Queens*): And that is still the case.

I was wondering if the Minister at some future time could give us the figures for the establishment of the armed services, say, from the rank of full colonel up, including civilians holding corresponding positions, in 1963 and now.

Mr. HELLYER: You would like to compare 1963 and now?

Mr. MACLEAN (*Queens*): Yes, if I may. Perhaps a table could be supplied. I do not want to take up the time of the committee.

Mr. HELLYER: We do not have comparison figures but we can get that from full colonel and above?

Mr. MACLEAN (*Queens*): Yes, I would suggest that, or starting at some other rank if that is easier to provide.

Mr. WINCH: Could I just ask something I had in mind? May we have a breakdown of the ratio now of the chiefs to Indians—officer status to O.R.?

Mr. HELLYER: That will be apparent from the table which Mr. MacLean is asking for.

Mr. LAMBERT: Mr. Chairman, as a question to the Minister, I am concerned about getting an explanation of this telescoping of the position of vice chief of defence staff with that of the chief of operational readiness. In order to achieve this was anything spun off from the indicated functions of the chief of operational readiness as disclosed to the committee a year ago, or even earlier than that.

Lt.-Gen. FLEURY: I think a detailed examination might show that some functions, not necessarily unimportant but not necessarily heavy, on the manpower side, have fallen, or will fall, into mobile command's ambit.

Mr. LAMBERT: What I was reading into this was that the creation of a mobile command and the naming of General Allard as commander of mobile command is that he will take with him, or with that position, some of the functions of the chief of operational readiness, and that in essence we will not have four branches but a fifth quasi-branch, under mobile command.

Lt.-Gen. FLEURY: No, I do not think that would be a reasonable deduction.

Let me try to give you an example or two. In the old army headquarters we had the director of armour, the director of artillery and the director of infantry. There was always great argument in the army whether these belonged at army headquarters, or whether they belonged out in the field. At various times we thought of putting them at the corps schools, as we used to call them.

These particular functions—and they involved only a handful of people—are going to be done largely, if not entirely, within mobile command. Gen. Allard is going to have most, if not all, of the armour, infantry and artillery under his command. This is one example.

However, I would caution quite seriously against suggesting that a good deal of the functions of the old vice chief's branch has gone to mobile command.

Mr. LAMBERT: No, that is not the question I put. What I said was a number of the functions of the chief of operational readiness have been spun off or carried along with mobile command and that into the remainder has been telescoped the functions of the vice chief of defence staff. Since he is carrying the title of vice chief he must be carrying out the duties of vice chief.

If you have taken some of the functions out of a functional command and have put them into what is an operational command—and I trust that is what mobile command is designated as—does this not then raise, instead of four functional commands, a fifth quasi-functional operational command. Or is my thinking wrong?

Lt.-Gen. FLEURY: First of all I suppose we have to define our terms. The four people here are not functional commanders. They are staff officers, and they are heads of branches at Canadian forces headquarters. We apply the term "functional command" to organizations such as mobile command. They are commands and they are headed by a mobile command, marine command, air transport command, transport command, training command, air materiel command—we call these functional commands, and they are.

However, I am not a functional commander, I am a staff officer. I am the head of branch at Canadian forces headquarters, Ottawa, as is the vice chief in his operational role, and the chief of personnel and the chief of technical services.

The vice chief, in effect, wears two hats. He heads the branch on the one hand, as I indicated yesterday, and he also is the sub for the chief of defence staff. He fills in for him in his absence and does certain things. He is an alter ego of the chief of defence staff.

Mr. LAMBERT: Again on the question of clearing up the terminology, the four staffs, or divisions as we know them at defence headquarters, are not, shall we say, the terminological heads of the functional commands?

Lt.-Gen. FLEURY: No, by no means. Problems, from all of the functional commanders, are funnelled into my shop, in the areas for which I bear some responsibility, for example, manpower, finance and so on.

Mr. LAMBERT: This, perhaps, clears up some of the confusion about the terminology.

That was my question.

Mr. Foy: On this matter of integration, which is such a complex problem, I was listening to Mr. Harkness very carefully and it seemed to me that in his questioning he was establishing criteria as of some time ago. He was questioning the fact that there were changes, and why. I do not know whether any assumption is wrong in this case, but I wonder if there should not be room for flexibility and change in a complex problem of this type? As you go along you may find mistakes, and you may find mistakes in the future, and not necessarily mistakes, but a better way of doing things; and that you should have flexibility so that you can change from the original context to something which may be considered, through experience, to be better, instead of keeping right to the track of the original concept.

Mr. HELLYER: I think that is quite true. Certainly from the outset we did not claim we could establish an organization which would meet the test for all time. An organization has to be dynamic, and where we find that improvements can be made we are quite willing to make them. I hope this will be a continuous process, and that it will never be felt that the ultimate has been reached.

Mr. FOY: There is nothing wrong with flexibility, in other words?

Mr. HELLYER: Not at all.

Mr. FOY: That answers my questions.

The CHAIRMAN: Mr. Laniel?

Mr. LANIEL: General, in your presentation yesterday, and by way of a chart which you showed us, you indicated the proportion of our defence dollar that was used for the purchase of new equipment. On that chart it mentioned 47 per cent at such a date and 13 per cent at the moment of integration and projected down to zero per cent if integration had not come.

One of the aims of integration, I assume, besides better efficiency of our services is the better use of the defence dollar and thus a better control of our budgetting.

I am wondering if you have in mind a minimum percentage or figure which should be aimed at for that proportion which should be allocated to the purchase of equipment?

Mr. HELLYER: Mr. Laniel, this is really a matter of judgment. I think a figure of 20 per cent of over-all capital is an absolute minimum. I think in today's complex world a higher figure is desirable. Certainly, we will achieve just as high a percentage as we can within the limited funds available to us.

Mr. LANIEL: When you speak of buying new equipment, does that include replacement material in general.

Mr. HELLYER: Yes, that includes all new equipment, including replacements.

Mr. LANIEL: Whether our commitments are increased, or an emergency arises—I do not mean war but a state of emergency—would that percentage be about the same, and should it be?

Mr. HELLYER: Mr. Laniel, it is very difficult to give a precise answer, because the cost of the equipment depends to a very large extent on the roles and missions adopted by the Government for the armed forces.

If, for example, a major role was in the field of missiles, or supersonic bombers, or something of this sort, these are very expensive equipments. On the other hand, if major commitments are in the field of mobile, conventionally-armed forces these are relatively less expensive. If, on the other hand, it was a home defence force, largely consisting of hand weapons, this would be less expensive still. You really have to define what roles and missions are required before you can get a measure of the percentage of the budget which is essential to maintain the equipment.

The figure I have given, between 20 and 30 per cent in total for new equipment, research, development, construction and all of these areas is I think, a fair appreciation in the light of the commitment that we now have for the Canadian armed forces.

Mr. LANIEL: We base the re-equipping of our forces on a long term program, I imagine?

Mr. HELLYER: That is correct. I am projecting this through the ten year period.

Mr. LANIEL: Are you of the opinion that we can reach that goal? Do we have a chance to reach it and have it level out on a very much steadier percentage than before?

Mr. HELLYER: I cannot answer your question, Mr. Laniel, until I know what the rate of inflation is going to be and what the defence budget will be. Certainly we would like to reach as high a percentage as we can.

Mr. WINCH: May I ask a supplementary on that, Mr. Chairman? This is a most interesting phase which has been brought up. Can the Minister give us some indication of the arguments on one side or the other. In other words I am going to ask him to wear two hats.

There is only a certain amount of money available on defence. For prestige purposes which is how we have 125,000 or even as at present 107,000 personnel in our armed forces not quite equipped the way we like, or, to look at it from a practical point of view, to have 75,000 in our armed forces and have them equipped the way we would like them to be equipped, and trained the way we would like them to be trained? This follows up on the question which has just been raised.

Mr. HELLYER: Our present re-equipment program will provide modern equipment for the total force which we now have.

Mr. WINCH: A total force of 107,000.

Mr. HELLYER: Yes; it is a little less than that in so far as effectives are concerned; between 105,000 and 106,000.

Mr. WINCH: Should we then pursue a policy of not trying to expand our personnel, but expand the equipment and the training of our personnel?

Mr. HELLYER: This is, in fact, being done. We just cannot expand the total force without an increase in the defence budget.

Mr. WINCH: Then why all this screaming by some writers in the newspapers and by some members in the House, who have a definite point of view about the fact that our recruiting is not up and our personnel numbers are dropping, if what you say is correct? Is there any basis for the criticism?

Mr. HELLYER: First of all, Mr. Winch, as I have indicated before, the number of members of the armed forces reaching compulsory retirement age during the three or four year period is considerably greater than has been the case at any time since World War II. Therefore, it would be desirable to take in a larger number of recruits during this period of time merely to maintain the force. Also, as I have indicated, this is a very difficult task in an economy as buoyant and competitive as the one in which we live today.

Mr. WINCH: What in your estimation is the proper balance of the number of personnel in the armed forces of our country, taking into account our population figures and finances?

Mr. HELLYER: I think we are fairly close to a balance now, Mr. Winch. However, within the force itself there is a necessity to transfer 2,000 or 3,000 positions from the administrative side, as we effect savings, to the operational side. This will achieve the kind of balance we are aiming for.

Mr. WINCH: My friend thinks that I have moved off supplementaries. I will stop.

Mr. LANIEL: A very short question along this line. Yesterday when you mentioned the reserves you also included survival organization. Does this mean that survival organization is still a responsibility of the reserve, or were you speaking of something else?

Lt.-Gen. FLEURY: No, the survival organization is the responsibility of everybody in the armed forces. However, the tie-in, obviously, must be very close with provincial and municipal governments. The organization, which is headed by the deputy chief reserves, has been given that additional responsibility.

Mr. LANIEL: I asked because I wondered if this had anything to do with EMO which comes under the defence production Minister.

Lt.-Gen. FLEURY: This is still the responsibility of EMO in the over-all picture. This national survival role is the military contribution to that.

Mr. DUBÉ: Mr. Chairman, my question is in a different field. I am moving from the Canadian kitchen to the French cuisine but I believe it is still under the heading of integration and savings.

Would substantial savings be obtained if we closed down our wings at Marville and our headquarters at Metz and moved to one central spot in Germany? I know that our forces in France are playing a very essential role and a very splendid role, and we are very proud of them. However, it would appear that we have no choice and that we will have to move. Would it not be the right occasion, under our present policy of integration, to try to centralize our forces in Europe at one spot, perhaps Zwiebrucken or Soest or Badensolingen?

Mr. HELLYER: Mr. Dubé, it would be impossible to estimate the cost unless we knew precisely where the force would be moved. Unless you knew the site you would not know what new capital construction costs were involved. Therefore, I cannot give you any more than a general answer to your question.

At the present locations of the two wings in Germany and the brigade group there is no surplus capability. At any of those sites very substantial construction programs would be required to accommodate additional forces.

Therefore, it would be quite impossible to give you an estimate unless, at the same time, we could tell you what the location was that we were referring to.

Mr. DUBÉ: Is there a site right now, in Germany, which would have priority in the thinking of the Defence Department?

Mr. HELLYER: I do not think I can answer that question. As Mr. Martin has explained to the external affairs committee, and as I subsequently explained here, the government is considering a number of options but they have not yet taken a decision as to what course they will follow.

Mr. LAMBERT: The minister, a few moments ago, in his remarks to Mr. Winch, indicated that there was a very evident higher retirement rate from the armed services by reason of age: that these are the World War II personnel who are now coming into the age group for retirement. He mentioned that recruitment was not as strong as desired because of the current economy. How does this explain the very much higher retirement rate in both the junior years' and middle years' service personnel, particularly in the air force?

If the Minister wants examples I know of many senior service officers of field rank, who are saying they want out. This is not by reason of age. This not by reason of difficulty in recruiting because of the buoyant economy. This is a factor which has to be recognized. There is a feeling of uneasiness, of some difficulty.

What I want the Minister to tell us is whether he is fully aware of this, because up to now, in the House, in reply to questions put by my colleague from Calgary North (Mr. Harkness) and others, this has been brushed off—denied.

This is a point on which I take direct issue with the minister, because I know the men. These men are serious, and they are doing it with a sick heart because of their love for the service. I see it in correspondence not only from them but also from senior NCO's and their wives.

What steps are being taken to counteract this? I do not want to see this continue. What steps are being taken to counteract this.

Mr. HELLYER: Mr. Lambert, it is very difficult to comment on something as general and as unspecific as your statement.

There is no doubt that the buoyancy of the economy is a very strong factor. I have not read your correspondence, but I get a lot of it and I also get it from servicemen's wives and others. There is, in some cases, a feeling of uncertainty, but in most cases it is the dislocation of service life, the amenities, lack of adequate housing, the remuneration in comparison to the remuneration available in the civilian economy for the same trades and other factors affecting the serviceman, his wife and family as individuals, which are of paramount importance. These include educational facilities and a wide variety of other problems.

We have had a number of studies undertaken to determine just what the problems are so that we could make an effort to meet them. I was at training command headquarters yesterday morning and was briefed fully by the training command headquarters officers. They have done a study of their command. The great majority of the problems raised were in this general area which I have mentioned.

Some of the problems were within the competence of base commanders to solve, and these have been attended to. Some were within the competence of the command to solve and they are in the process of being looked at at the present time. The balance were within the competence of headquarters, or the Government, and there are being referred to headquarters for consideration.

I might say that in almost every case of the problems which are being referred, we are already aware of them through other studies that we have done. We sent a team across the country to visit major bases in all areas, representative of all commands, and the results were very similar.

There was a problem with respect to temporary duty allowance. An allowance of \$7.50 for other ranks, to cover hotel, meals and incidental expenses was just ridiculous, and is in the process of repair at the moment. The dislocation allowance for moving of \$35 was, again, completely out of line with the real cost of the dislocation. There is a wide variety of problems associated with this general area of pay, allowances and privileges.

I think you are well aware, Mr. Lambert, that there has not been a fundamental review of the pay structure for some time—in fact, many years. There have been changes to meet circumstances and these have proved to be successful at the time, and adequate to meet the situation. However, the extent and the degree of the disparity has been increasing particularly in the last few years, when unions, for example, in private industry have been able to negotiate very substantial increases in pay and in fringe benefits. The relative advantages which were available to servicemen and their families are now not what they were previously.

The staff, having gathered this information, is urgently considering all of it, and we are resolved to take decisions on just as many of these questions as we can by October 1 when the new pay rates will come into effect.

Some of them are extremely complex, however. For example, the question of marriage allowance, paying married men and single men different rates for going the same work. This has been in effect for a long while but it is a subject of complaint. The disparity between people living in married quarters, where they are available, and those living on the civilian economy, where the difference in take home pay sometimes is as great as \$50, \$60 or \$65 a month for men of the same rank at the same trade. These too, are matters of concern—and real concern—to the individuals.

Having asked for and obtained the information we are now in the process of seeing what giant strides we can take in trying to alleviate the situation to the maximum extent possible during this time period. We will not be able to solve all the problems, I am convinced, by October 1. Those problems we cannot cope with by then will continue to be actively studied until we know what we can do about them.

There is just no question in my mind whatsoever that if we can meet these real problems it will have a profound effect on the service as a whole, because it will have a profound effect on the individuals who make up the service. At the same time many of the anomalies between services, which we were discussing earlier, will be worked out over the next few months, and as these are removed, as the anomalies disappear, this will have a settling effect.

In addition, as soon as we are able to indicate the rank structure and career progression policies for the future, this, too, will be of considerable assistance.

These are the areas which I find to be of greatest concern and in most cases it is possible to do something about them, and in so far as your query is concerned, we are not only actively but urgently working at them at the present time.

Mr. HARKNESS: Mr. Chairman, if I might just say something at this point, I think what the Minister has done just now is indirectly to admit that there is a

serious morale problem within the forces. This is what I have been maintaining for some time, and I made the proposal here that this is perhaps, and in my view, the most important matter this committee could look into. What we have just been listening to is getting into that whole question and problem.

What is more, I would suggest that this matter should have priority as far as this committee is concerned. We should look into what the morale situation actually is, and be able to get some definite evidence with regard to that instead of talking in a general way about some of the things which have led to a decline in morale.

Mr. HELLYER: I think, Mr. Harkness, the problems are pretty well known, as I have just indicated. We are working at them.

Mr. HARKNESS: But you have continued to maintain in the House, in this committee and elsewhere that there was no morale problem. You have made statement after statement that morale in the forces is high and in some cases higher than it has ever been, and so on. However, all the evidence which I have had, and which I think every member of this committee has had, is that the reverse is the case. This is a matter which should be determined.

Mr. ROCK: Have you not always connected that with integration rather than pay?

Mr. HARKNESS: It is a combination of things. These matters in connection with pay certainly enter into it.

Mr. ROCK: Pay is the most important thing.

Mr. HARKNESS: No, I do not think it is the most important.

Mr. HELLYER: Mr. Harkness, I know you would not want to misquote me. The statements I have made I believe to be correct. In so far as the operational units are concerned I would say that in most cases morale is as high as it has ever been, and in some cases higher.

Mr. HARKNESS: This is what we have to determine because all the evidence which I have is the exact reverse.

Mr. HELLYER: I think the best way to find out is to take you to some of the units this summer, and you can talk to the men and find out for yourself.

There is the point which was well raised by Mr. Rock, and that is the attempt that has been made to associate the problems of pay and allowances and perquisites and the problems of anomalies between services with integration as being cause and effect. This is not so.

Mr. HARKNESS: This is where there is a difference of opinion.

Mr. HELLYER: These problems are there, and would have been there in any case. They have to be solved and they are being solved. That is the important point. I can bear this out from my own experience in talking to probably more servicemen during the last few months than any member of the committee.

Mr. LAMBERT: The Minister is the last man to hear the truth. This is also based on experience.

Mr. HELLYER: Mr. Lambert, I can assure you that is not so.

Mr. LAMBERT: The Minister has indicated there were some service anomalies and so forth. They existed before, but the strength was never down in this way. This is what we are trying to get at.

I realize that there are these additional retirements. There is some effect. If a young fellow, instead of going into the services, can get a job elsewhere, yes, this is admitted; but to attribute all problems to that, as the Minister is trying to do now, is, I think, wrong. This is what is resented. It is not all on pay and allowances.

Mr. HELLYER: I did not attribute it all, but I do think that it is by far the most important consideration. I know this to be the fact.

It is true that these anomalies existed, but, as I said earlier, they become more urgent and more acute when people work more closely together. Therefore, they take on an increased importance and they have to be removed, and they will be.

Mr. LAMBERT: I do not agree with you they are working closer together within the air force. The air force people are working as closely together now as they ever did. Right now air officers and navigational officers feel the differential in pay scale for same rank with the pilots. This is a very sore point. Go and talk to them.

Secondly, the practice has arisen that, to become a unit commander, one had, generally, to be a pilot. What is the future, from a command point of view, for a non-pilot? These are part of the rubs.

Mr. HELLYER: To answer your second question, the number of positions which will be open to staff officers who have come from the various specialist branches will be greatly increased, and the mathematical chances for promotion to one of the senior positions, for people of outstanding ability from any specialist branch, will be greatly increased.

● (10.55 a.m.)

In so far as your earlier question is concerned, about the difference in pay between pilots and navigators, I would be interested in what your solution to this problem would be?

Mr. HARKNESS: How will their chances be increased when the numbers of people are being reduced. As far as we can see, if we are going to keep within the financial limits which have been set, and put into effect all these pay increases which I think are necessary, then, the opportunities are inevitably going to be decreased rather than increased?

Mr. HELLYER: On the contrary, Mr. Harkness.

Mr. HARKNESS: The number of people in the forces is going to have to be decreased.

Mr. HELLYER: On the contrary, as the integration proceeds and the number of senior positions available to officers and men from any branch of the force increases, the chance of promotion for people of outstanding ability increases very sharply.

The CHAIRMAN: Gentlemen, it is eleven o'clock and the House is sitting.

Mr. HOPKINS: Mr. Chairman, I had several questions but I did not want to break into the discussion.

I wonder if I could have an opportunity to bring these questions up at the next meeting, because I think that to a large degree there has been a one-sided story put on the record in the last few minutes.

The morale situation, as it is now, is due to several things which have been in operation for years and have never been attacked. These problems have never been attacked. I think the Minister and the Associate Minister deserve a lot of credit for attacking these problems at this time in the way they are, and I would like to have an opportunity to expand on this.

THE CHAIRMAN: We will have another meeting, but we do have to adjourn now.

I will find out when we can arrange our next meeting and I will let you know as soon as possible.

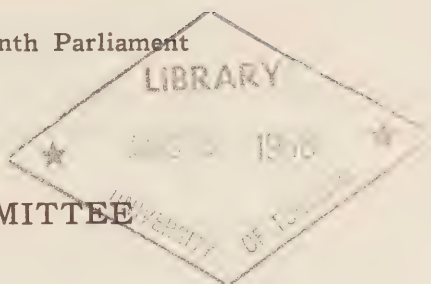
Our next scheduled meeting is on Thursday morning, when we hope to get approval from the House to make our trip to Trenton for a briefing on transport command.

I will bear this in mind and try to arrange a further meeting on this subject.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament

1966



STANDING COMMITTEE

ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, JUNE 16, 1966

Respecting

Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Air Commodore G. G. Diamond, Commander, Air Transport Command; and Staff Officers Group Captain Morrison, Wing Commanders Diack and Wynn, Squadron Leaders Gibson and Hope.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

ORDER OF REFERENCE

WEDNESDAY, June 15, 1966.

Ordered,—That the Standing Committee on National Defence be granted permission to adjourn from place to place.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, June 16, 1966.
(12)

The Standing Committee on National Defence assembled in front of the Parliament Buildings, Ottawa, at 8.30 a.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Carter, Éthier, Foy, Grills, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, MacLean (*Queens*), Matheson, McNulty and Mr. Rock (13).

In attendance: Mr. E. B. Armstrong, Deputy Minister of National Defence; and Squadron Leader D. Williamson, Defence Staff Secretariat, who acted as conducting officer to the Canadian Forces Base—Uplands.

The Committee proceeded by military bus to Uplands and departed by Yukon aircraft for Air Transport Command Headquarters, Canadian Forces Base—Trenton, Ontario.

On arrival at approximately 10.20 a.m., the members were met by Hon. Paul Hellyer, Minister of National Defence, and Air Commodore Diamond, Commander, Air Transport Command. The members proceeded to the aircrew briefing room where they were welcomed by Air Commodore Diamond and listened to a briefing on Air Transport Command by Wing Commander J. Wynn. The briefing explained the history, tasks, organization, equipment, deployment, air transport system and the utilization of resources in Air Transport Command.

Following a brief coffee break, the Minister and Air Commodore Diamond answered questions, assisted by Group Captain Morrison, Wing Commander Diack, Squadron Leader Gibson and Squadron Leader Hope. After the question period, members attended the midday briefing at the Air Transport Operation Centre, followed by luncheon in the officers' mess. Mr. Grills, the member for Hastings South which includes the Trenton Base, thanked Air Commodore Diamond and members of his staff, on behalf of the Committee, for the courtesies extended.

The Committee returned to the Parliament Buildings by Yukon aircraft and military bus, arriving at approximately 3.15 p.m. The Committee adjourned until Friday morning, June 17, 1966 at 9.30 a.m., when there will be a scheduled briefing by personnel from Training Command.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, June 16, 1966

The CHAIRMAN: This discussion is on item 1 of the main estimates for 1966-67 and this morning we are down here at the headquarters of Air Transport Command for briefing on transport command and I know there will be an opportunity afterwards for asking questions. As you know, it is our intention to arrive back in the House today before it opens. I would like to ask our host, Air Commodore Diamond, if he would please address the meeting. Air Commodore Diamond is, as you know, the commander of Air Transport Command.

Air Commodore DIAMOND (*Commander, Air Transport Command*): Mr. Chairman, thank you.

Mr. Chairman, Mr. Minister, gentlemen, we at Air Transport Command are pleased and honoured that you are visiting us today. We are proud of the task we perform, and of our ability to react quickly to the many and varied commitments which we carry out in support of government policy. We are, therefore, anxious to tell you of our command resources and the manner in which we maintain our capabilities.

This command is highly complex in a technical and operational sense. We operate globally 24 hours a day, 365 days a year. Our job is most interesting, exciting and rewarding. Mr. Chairman, unfortunately, you have a very short time with us, so we will proceed with our program. First, we will present the briefing on this command, to be followed by a short break for coffee. We will then be open for questions. At 11.45 I would invite you to join me in the air transport operations centre to hear our daily briefing. This is a briefing which keeps me in touch with our operations throughout the world. Immediately following the briefing we will proceed to the mess for lunch with the objective of getting you back to the afternoon session on time.

My staff officer plans, Wing Commander Jim Wynn, will present the briefing at this time.

Wing Commander JIM WYNN (*Staff Officer Plans, Air Transport Command*): Mr. Chairman, Mr. Minister, members of the standing committee on defence, during this period I shall tell you about Air Transport Command's role, our tasks, and the units and aircraft we have with which to carry out our responsibilities. I shall then outline our concept of military air transport operations in relation to our emergency tasks, and how we train and employ the force during non-emergency or normal periods.

But first, a little historical background. At the outbreak of the Second World War, there was only one RCAF unit engaged in Air Transport as we

understand the term today. This was a Communications Flight at Rockcliffe, which carried RCAF staff officers on official visits to stations in Canada.



In 1942 and 1943, two RCAF Squadrons were formed to meet air transport requirements in Canada, and three squadrons were formed overseas; 435 and 436 squadrons which won fame in the Burma Theatre, and 437 Squadron, which carried out glider towing and troop transport operations in Europe.

In the early post-war era, only three air transport squadrons remained in operation. 426 Squadron was based at Dartmouth, 435 Squadron at Edmonton, and 412 Squadron at Rockcliffe. These units comprised the operational elements of what was known as No. 9 Transport Group.

On 1 April, 1948, No. 9 Transport Group became Air Transport Command, with headquarters at Rockcliffe. The headquarters was later moved to Lachine, Quebec, and again, in 1959, to our present location here at Trenton.

The importance of Air Transport in modern military operations was recognized in 1948 with the formation of ATC. Since that time the increasing emphasis on air transport has been reflected in the growth of the Command. The best index of this growth is not in numbers of men, aircraft and other facilities, but in our ability to carry out air transport operations. We measure the Command airlift capability in terms of ton-miles and passenger-miles, for this is a much more meaningful method than just an expression of total hours flown or total tons or passengers carried.

AIR TRANSPORT COMMAND AIRLIFT PERFORMANCE

	<u>1950</u>	<u>1960</u>	<u>1965</u>
 PASSENGER MILES (MILLIONS)	43.4	120.2	2635
 CARGO TON MILES (MILLIONS)	9.4	16.2	65.6

This slide shows the progressive growth of the ATC airlift since 1950, when we produced 43.4 million passenger-miles and 9.4 million cargo ton-miles. This was expanded in 1965 to 263.5 million passenger-miles and 65.6 million cargo ton-miles or over six times what it was in 1950.

Now, to our role. The primary role of Air Transport Command is to maintain an air transport capability, with fast reflexes, to meet the requirements of the Department of National Defence. This means that we must be ready to react, on a moment's notice, to the wide variety of air transport tasks that we may be called upon to carry out in any type of emergency.

WHITE PAPER MOBILITY TASKS

TO PROVIDE MOBILITY FOR :

- (A) FORCES FOR THE DIRECT PROTECTION OF CANADA
- (B) THE NATIONAL CONTRIBUTION TO THE NATO FORCES
- (C) NATIONAL FORCES COMMITTED TO UNITED NATIONS
OPERATIONS ANYWHERE IN THE WORLD



The 1964 White Paper on Defence emphasized the need for greatly increased mobility in the Canadian Armed Forces. Priorities outlined in that document indicate that the main transportation requirements of the Forces are those which will:

- provide mobility to forces for the direct protection of Canada;
- provide mobility for the national contribution to the NATO forces; and
- provide mobility to national forces committed to United Nations operations.

Obviously, Air Transport will play an important part in all of those areas, and we see this mobility requirement as the major emergency task of Air Transport Command. Thus our Yukons and Hercules must be prepared to move Canadian forces to meet Strategic and Tactical mobility requirements wherever the Canadian Government may decide such action is necessary.

AIR TRANSPORT COMMAND *Tasks*

- ▶ AIR CARRIER TO THE DND
- ▶ AIR TRANSPORT FLYING STANDARDS
- ▶ JOINT DOCTRINE, TRAINING & OPERATIONS
- ▶ AIR SEARCH & RESCUE OPERATIONS
- ▶ RCAF AUXILIARIES
- ▶ RCAF SUPPORT FOR SURVIVAL OPERATIONS
- ▶ AIR CADETS

Included in this important role, ATC has seven basic complementary tasks.

First, air carrier to the DND—which is our primary role.

Second, ATC is responsible for monitoring and reporting on the operating standards of all aircrews established throughout the RCAF for transport, communications and rescue flying, and of all Auxiliary flying units.

Third, in conjunction with the Canadian Army we are also responsible for the development of joint doctrine, operational training, and actual operations related to Army/Air requirements for Transport Support and Tactical Air Support.

Fourth, in relation to air search and rescue operations for Search and Rescue purposes, Canada is divided into four areas. ATC is responsible for SAR activities in the eastern area, which encompasses the area from Quebec City to Lakehead and from the American border to the Arctic Islands. In addition we are responsible for search and rescue *policy* and training throughout the Air Force.

ATC is responsible for control of all RCAF Auxiliary units, consisting of four wing headquarters and six flying squadrons. The Auxiliaries are a valuable addition to the System in a light transport role.

ATC is charged with co-ordinating and controlling all RCAF Support for the Canadian Army in national survival operations.

Finally, as do most other Service Commands, ATC supports a number of Royal Canadian Air Cadet units. At present, we are looking after some 6,000 cadets organized into 72 squadrons throughout Ontario and Northwestern Quebec.

Many of these tasks are not directly related to our primary role of Air Transport, and with the odd exception, I shall say no more about them. I plan to concentrate on our primary task of Air Transportation.

You have seen that ATC's responsibilities cover a wide range of activities. Similarly, our tasks cover a very large area geographically, and our stations, flying squadrons, and other units are dispersed accordingly across Canada and abroad.

This slide shows the location of ATC units in Canada.



At RCAF Station Whitehorse, we are responsible only for the administration of facilities.

Our most westerly flying unit is 121 Composite Unit located at Comox, on Vancouver Island. This unit is equipped with Albatross amphibious aircraft and CH-113 Labrador helicopters for search and rescue duties, and also operates a SAR training flight, where crews are trained on Albatross aircraft. 121 also has a small number of Dakotas and one T-33 aircraft for a quick reaction search capability.

At Vancouver, we operate a small Air Movements Unit which is responsible for the handling of all freight and passengers moving by RCAF aircraft through Vancouver International Airport.

ATC's main western air transport facility is Namao, near Edmonton. This base is the home of 435 Squadron, which operates the C-130E Hercules aircraft. Namao is also the home of 18 Wing (Aux) which controls 418 Squadron. All of our auxiliary flying squadrons are equipped with a combination of Expeditor and Otter aircraft for light transport, survival, and search operations. There is also a busy AMU at Namao.

17 Wing (Aux) which controls 402 Squadron, is located at Winnipeg where we also operate an Air Movements Unit to handle freight and passengers.

ATC is responsible for Canadian Forces Base Toronto, centred at Downsview, where we have an Air Movements Unit, a small communications flight, and 14 Wing (Aux), which controls 400 and 411 Squadrons.

At Trenton, we have 437 Squadron with Yukon aircraft, as well as our Transport Operational Training Unit where all ATC crews are trained on transport types. Here too we have 102 Composite Unit with Albatross and CH-113 Helicopters for SAR duties, and a Caribou flight which has a UN standby capability, with personnel trained and ready to react on short notice to any UN request for Caribou aircraft which is accepted by our Government. Also at Trenton, we have our busiest Air Movements Unit, since this is the focal point for all our overseas operations in support of 1 Air Division, 4 Canadian Infantry Brigade Group in Germany and our UN operations.

Proceeding eastward, ATC is responsible for Canadian Forces Base Uplands, which is the home of two of our flying squadrons. 436 Squadron operates the C-130E Hercules. Also at Uplands is 412 Squadron which had a multitude of tasks, including the movement of senior service and Government personnel throughout Canada and the world, the operation of regular service flights on our domestic routes and a weekly trans-Atlantic passenger flight. This squadron is equipped with Yukons, Dakotas and the Cosmoplitans aircraft shown here. We also have an Air Movements Unit at Uplands.

In the Montreal area at St. Hubert we have 11 Wing (Aux) controlling 401 and 438 Squadrons.

ATC has an Air Movements Unit at Dartmouth with Detachments at Greenwood and Summerside.

The last of our Canadian bases is Goose Bay, Labrador. Although we have no flying units based there, our aircraft sometimes use this facility as a staging base. At Goose, the base functions are the operation of an Air Movements Unit Detachment and a telecommunications unit, provision of flying control facilities and airfield maintenance, and appropriate liaison with a large USAF establishment there.

ATC UNITS OVERSEAS



Overseas, we have aircraft maintenance detachments of Station Trenton located at Marville, France and Dusseldorf, Germany, to provide servicing for our Yukon and Hercules aircraft operating into these bases in support of the Air Division, and the brigade in Germany.

At El Arish, Egypt, ATC is administratively responsible for 115 Air Transport Unit, which operates Caribou and Otter aircraft in support of the United Nations Emergency Force. Operational control of this unit is exercised by the UN Commander.

We have a detachment of 1 Caribou and 8 personnel from 102 KU Trenton operating in Kashmir in support of the United Nations Military Observer Group—India/Pakistan. This detachment operates alternately from Rawalpindi in Pakistan and Srinagar in Kashmir.

This is the geographical spread of units under ATC control. However, as you will see later, in carrying out our task ATC aircraft operate into airfields throughout the entire world.

To carry out our tasks we have an establishment of 6972 regular, 840 air force auxiliary and 2013 civilian personnel in Air Transport Command. The establishment figures reflected on this slide include 606 regular Army positions and 485 civilian positions that were added on 1 April. These positions were

realized primarily through the disbandment of Western and Central Army commands. These positions allow this command, through its bases, to provide those support functions that were integral to the Army units.

We operate 153 aircraft for about 111,000 flying hours each year. I should point out that of these 153 aircraft only 32—12 Yukons and the 20 Hercules—represent the type of heavy-lift capability required to meet most of the tasks outlined in the White Paper. We expect delivery of four more Hercules early next year.

CONCEPT OF OPERATIONS

I have described our role, our tasks, and the units and equipment we have in Air Transport Command. Now I will explain how we exercise the force during normal times to ensure quick reaction and effectiveness in meeting emergencies.

ATC CONCEPT OF AIR TRANSPORT OPERATIONS

1 EMERGENCY CAPABILITY

2 READINESS & EFFECTIVENESS

3 RATE OF OPERATIONS

The fundamental purpose of the Canadian military air transport capability represented by Air Transport Command is to meet war or other emergency commitments. With this always in mind, we have developed a concept of peacetime air transport operations. This concept can be distilled into three basic elements. The first of these is:

Requirements for military air transport can arise as a result of a wide variety of situations, both national and international. Emergency airlift could be required for the movement of men and equipment to fight forest fires or to

carry supplies to and evacuate people from other natural disasters in Canada; to carry Red Cross and other supplies needed for recovery from disasters in other countries; to move Canadian Forces to UN Commitments such as the Cyprus operation; troops and equipment in a limited war situation, similar to Korea, or in major war when augmentation of our forces in Canada and Europe would be required. All of these and similar situations constitute emergencies in varying degrees, and ATC must be ready to react promptly to these demands as they arise.

All air transport activity is aimed at keeping the various elements of the system at a high state of readiness. By closely monitoring our day-to-day commitments and capabilities, we maintain an alert posture which enables us to react quickly to meet any emergency. Because of the wide variety of these commitments and the limited resources available, versatility and readiness are keystones of the operational concept of the Command.

The second element of our concept is readiness and effectiveness.

No organization can maintain skills without exercising those skills, and thus Air Transport Command cannot maintain its readiness and effectiveness for emergencies unless our airlift capability is properly used during non-emergency periods. Our forces must be trained and ready to react to the various requirements that will arise in an emergency. Operational exercises with other military formations, principally the Army, are necessary to develop the doctrines and methods of joint operations. It is also necessary to train the force in a wide variety of other operations, particularly where experience can be gained at world-wide tasks similar to those indicated in the White Paper.

We do not do this by flying empty aircraft or by using dummy loads, for this would be financially wasteful, and there would be little sense of accomplishment for the personnel involved. Nor would there be an incentive to overcome quickly the technical or operational obstacles affecting the operation. Without a sense of urgency, it is doubtful that the necessary resourcefulness could be developed in the Command to ensure a dependable reaction in an emergency.

Instead, aircraft are given productive loads of materiel or passengers. This provides a sense of accomplishment in the completion of a task that fosters initiative, and improves our operation. Realism brings the job closer to the emergency requirement than simulation could possibly achieve. Further, because efficient and economical use of air transportation requires a degree of user familiarity with the methods of air shipment, including packaging, documentation, and handling, the user also requires exercising. This can be achieved only if profitable loads are carried. The positive value and importance of exercising ATC's resources continuously in actual operational situations cannot be overemphasized. It puts the Command in the best possible position to meet major emergencies.

There are important fringe benefits in this concept. By doing useful work while maintaining our effectiveness and readiness for emergencies, we reduce DND transportation costs and thus, in part, offset the cost of operating and maintaining the Command.

The third essential facet of our concept of military air transport operations is the activity level required to maintain optimum effectiveness in the Command during non-emergency periods.

Ideally, if we could afford it, the peacetime level of operations with the resources to support it, should be the same as that required in a major emergency, so that the transition to emergency tasks would be a simple shift from one commitment to another. This, of course, is not economically feasible and therefore a carefully considered compromise rate has been established. Because of economic and personnel ceilings, our normal monthly aircraft flying rate is set at 50 per cent of that required to meet a major emergency.

This means that ATC will have to achieve a 100 per cent increase in output to raise to and sustain the expected level of activity in a major emergency.

The concept of air transport operations I have just described requires effective command and control of our resources to achieve maximum utilization through economy of effort and units of purpose. The resources we have available must produce the maximum airlift possible during periods of emergency. Similarly, we strive for the most economical utilization of the force during normal non-emergency operations. To this end, Air Transport Command's capability has been developed into an organizational and operational entity designated the Air Transport System. Basic elements of this system are our aircraft, airfields, personnel and communications.

Unity of action and singleness of purpose are achieved by centralization of the control of the Air Transport System and decentralization of execution. Centralization of control is exercised through the Air Transport Operation Centre located here at Trenton. This control facility is the nerve centre of the Air Transport System, the focal point for communications, and the source of Command and direction for the components of the system, during emergency and non-emergency periods.

Briefly the ATOC functions are to:

- control and direct the overall Air Transport Operation;
- co-ordinate airlift matters with users and carriers;
- ensure timely arrival of aircraft at destination;
- receive and process airlift needs and develop means and procedures for fulfilling these requirements;
- depicting the airlift status, and
- monitoring airlift progress



On this slide we see the wall map in the ATOC on which we depict the airlift status. Through this the Commander and his staff officers can quickly determine the disposition of all of the aircraft in the fleet. Any delays in the system are readily pinpointed by red tags on the aircraft concerned.

On this slide we see a portion of this same map. In this case we show the concentration of aircraft that we had in northern Europe during the deployment phase of Exercise Winter Express which was carried out in late February and March of this year. I will be referring to this exercise later on in my briefing.

This function of the Command and Control of the Air Transport System depend upon adequate communications which must exist between the policy level of the Government and the senior command level of the forces, through the senior command level to the operational formations, and finally, in ATC, to the aircraft, wherever they may be.

At any given moment, Air Transport Command aircraft are widely spread throughout the world. We must be able to communicate with our units, and with the captains of our aircraft throughout our entire area of responsibility, to provide direction and so ensure that our government's policy or instructions in a fluid situation are followed in every respect. A programme to implement some significant improvements in our communications is currently underway.

I have covered briefly our concept and the Air Transport System. I will now outline the ways in which we exercise and utilize the force in those types of tasks which we can expect during an emergency. These commitments can be grouped under three broad categories.



ATC

NON-EMERGENCY OPERATIONS

▼ COMBAT TRANSPORT SUPPORT

- STRATEGIC & TACTICAL MOBILITY
- TRANSPORT AIR SUPPORT
- NATIONAL SURVIVAL

The first is combat transport support operations.

These operations provide direct logistic and personnel support, either airlanded or airdropped, to the Armed Forces within an operational theatre. Operational exercises with other services and commands, but principally with the Army, are therefore a primary peacetime task. These exercises, which simulate wartime combat transport operations fall into three general classifications:

- (a) Strategic and Tactical Mobility. We carry out mobility exercises designed to test plans and operational procedures of the Canadian Army UN Standby Battalion, and to exercise elements of the Army and ATC in the defence of Canada. This type of exercise enables us to prepare for real operations such as the airlift of the UN Standby Battalion to Cyprus in March 1964. This airlift, involving the move of 880 personnel and 320 tons of equipment from Quebec City to Nicosia, Cyprus, was completed by ten Yukon and four Hercules aircraft in just over seven days.

- (b) Transport Air Support. Throughout the year, ATC supports the Army in qualification and continuation parachute training. Frequent exercises of this nature provide realistic training for elements of both ATC and Regional Defence Forces.
- (c) National Survival. As I mentioned earlier, ATC is responsible for all RCAF support to the Canadian Army in National Survival Operations. Our Auxiliary units have been used extensively in this commitment in carrying out exercises with Army and EMO agencies in the Survival Role.

The frequency of Mobility and Transport Air Support Exercises will increase in the future in keeping with the philosophy set forth in the White Paper on Defence. This increased demand on our airlift resources will have the corresponding effect of reducing our capability to meet the second broad category of military air transport requirement, that of route transport.

Route Transport Operations are the airlift of personnel and materiel into an operational theatre. These flights are usually carried out over established routes to and from bases with adequate facilities located outside of a battle zone. Where the frequency of the requirement justified it, route transport operations would be carried out on a scheduled basis. Peacetime route transport operations include predictable or recurring tasks, which we call service flights, and unpredictable or non-recurring tasks, which we call routine flights.



NON-EMERGENCY OPERATIONS

ROUTE TRANSPORT

SERVICE FLIGHTS

- INTERNATIONAL FREIGHT
- INTERNATIONAL PASSENGER
- DOMESTIC SERVICE FLIGHTS
- UNITED NATIONS FLIGHTS

ROUTINE FLIGHTS

Service flights provide valuable training in regular operations involving the movement of personnel and freight. In addition, because they are scheduled on a continuing basis, they provide high utilization and thus economical use of load potential and flying hours. From the economic viewpoint, service flights offer the most attractive means of peacetime employment of the air transport fleet.

However, we must remember that the fundamental purpose of ATC service flights during non-emergency periods is to provide training for our personnel and user agencies so that they can meet emergency requirements. We carefully guard against a tendency to treat this type of service from the purely economic viewpoint, important though economic factors are today, and to create too much dependency on the part of our "customers" on peacetime service flight.

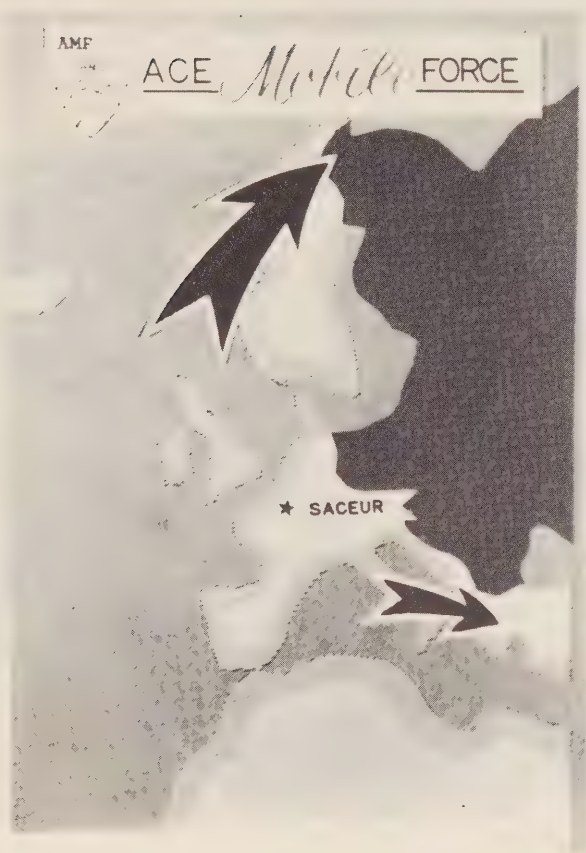
These are the main categories of our present ATC service flights, which absorb about 45% of our air transport capability:

- (a) *International Freight*: ATC's Yukon and Hercules aircraft are utilized in transporting passengers and freight to and from Europe in support of the Air Division and 4 Canadian Infantry Brigade Group in Germany.
- (b) *Domestic Service Flights*: We operate domestic service flights to provide DND freight and passenger services to military bases across Canada.
- (c) and finally, ATC provides weekly service flights to the Middle East in support of UNEF activities at El Arish and the Canadian UN Force in Cyprus.

Routine flights, which absorb about 35 per cent of our air transport capability, provide airlift for a multitude of tasks, usually unforeseen, and arising on short notice, involving the movement of DND cargo and passengers in Canada and throughout the world. These tasks range from the annual resupply of the Joint Arctic Weather Stations and the transportation of CF-104 aircraft spares such as JT9 engines for the Air Division in Europe, to the movement of urgently required spares and personnel between military units in Canada.

Routine tasks on occasion include positioning flights for minor UN operations, in which Canadian Forces have participated. For the United Nations Temporary Executive Authority in West New Guinea in 1962, the United Nations Yemen Observer Mission in 1963, the United Nations Military Observer Group—India Pakistan in 1964 and the United Nations India and Pakistan Observer Mission in 1965. ATC not only provided air elements of the UN force, but also supplied the airlift needed to position these elements.

We also provide airlift to meet urgent peacetime domestic or international requirements ranging in scope from the positioning of troops and equipment to fight forest fires in Newfoundland or the evacuation of Hay River, to single flights to Iran, Chile and Pakistan with Canadian welfare supplies.



Another standing commitment involves the airlift of the Canadian Contingent to the Allied Command Europe Mobile Force (Land). As you are no doubt aware this mobile force is provided by the various NATO countries and is intended to be deployed on the northern or southern European flanks during periods of increased tension or hostile activity in these areas. SACEUR has command of the force while employed in the operational area.

The Canadian contribution of AMF(L) force is a battalion group and although its composition may vary, the force will generally be established as some 1,100 personnel, 390 vehicles ranging from jeeps to helicopters, and up to 300 tons of stores. The requirement calls for the complete deployment of this force within a seven day period following seven days prior warning.

Air Transport Command has developed a contingency plan to meet this requirement and during the period 27 Feb. to 5 Mar., 66 used the plan for Exercise Winter Express. The results were most satisfactory. The airlift provided was of sufficient size to prove the ATC plan and so assure us that the Canadian commitment can be accomplished in a real time situation.



You may be interested in some of the particulars pertaining to our participation in Winter Express deployment.

For example we completed 16 Yukon flights from Fredericton, N.B. to Sola, Norway; 2 Yukon flights from Ottawa to Sola; 15 Hercules B flights from Sola to Bardufoss, Norway; 4 Hercules E flights from Ottawa through Sola to Bardufoss; 21 Hercules E flights from Fredericton through Sola to Bardufoss and 8 Hercules E flights from Sola to Bardufoss.

We airlifted 1,000 personnel, 197 vehicles ranging from jeeps to Robin Nodwell tracked vehicles, and 100,000 lbs. of stores. While we had some minor problem areas we were very pleased with the operation and are satisfied that our deployment plan is a good one.

This wide range of routine airlift tasks provides invaluable operating experience for ATC crews in many areas of the world and so improves our readiness and effectiveness to meet larger emergency demands on the System.

In this Command emphasis is placed on economy as well as effectiveness as these factors are inseparable if our operational task is to be accomplished properly. Economy is also one of the primary aims of integration of the Forces.

It may be appropriate here to make some comments on the progress of integration within ATC. Integration has posed no serious organizational problems, since this Command has always been organized along functional lines, and this concept has not changed with amalgamation of the three services. However, as mentioned previously on April 1 of this year a number of military elements that are not directly related to the Air Transport function were added to this Command. For example, ATC became responsible for the administrative support of some 10,000 Army Militia located principally in Alberta and Ontario. Our Base Commanders are tackling this programme with vigour and we fully expect to achieve our commitments in this area.

To sum up, we in ATC are constantly working to provide a trained, properly exercised, and efficient air transport system that will be capable of meeting DND tasks in all types of emergencies. We have found that the most effective and economical training can be achieved through operational exercises with other Services and Commands and by doing useful, productive work, which will not only provide the most realistic possible training for both the system and the users, but will also offer the valuable by-product of significant savings in DND transportation costs.

To assist in developing effectiveness and efficiency, we possess a management analysis system which permits us to analyse our peacetime operations and provides us with a means of measuring our readiness and emergency capability.

Air Transport Command's operating standards are unsurpassed by any similar military air transport organization in the world, and we believe that we are living up to our motto of "Versatile and Ready".

Sir, with your permission could we have the break now?

The CHAIRMAN: It has been suggested that we break now for a few moments and then come back here for questions. We will take a break of five minutes?

—Recess.

—Upon resuming.

The CHAIRMAN: I am keeping my eye on the clock and I am not exactly sure what our program is going to be within the limits which were laid down earlier on. I would not like to let this opportunity pass by though without thanking Air Commodore Diamond and his staff for their briefing so far. I would like to say what a great pleasure it is for us, as a Committee, to come down to your command and what a personal pleasure it is for me to come back here and see two of my former classmates of the air force staff college on your staff here.

I would like to mention to members of the Committee that although lunch hour is allowed for on our schedule, our real purpose in coming down here, of course, is to hear and to observe what is going on. Perhaps we could cut down on our lunch hour as much as possible to give us as much time as possible, to see

and hear what is going on. I do not want to cut short the program which has been planned for us by the air commodore by one minute if we can possibly help doing it. If anything has to go I would suggest it be lunch.

Perhaps we could get on with the questioning now, I have two questioners so far on my list, Mr. Laniel and Mr. Carter.

Mr. Laniel: Mr. Chairman I wonder if the air commodore could tell the Committee if he thinks Air Transport Command has the right variety of equipment to fulfil the tasks which are assigned to ATC. I do not mean in numbers but the variety of airplanes to meet the different tasks which are assigned to your command.

Air Commodore DIAMOND: As was described in the briefing, we carried out Exercise Winter Express which was the movement of a battalion group to Norway, well within the prescribed time period, in fact two days short of the time allocated. *Provider* was brought into the exercise to exercise *Provider*, of course, and it took some of the load from us. For that particular role we are adequately equipped but the forces structure study is not completed yet, as I understand it, sir, and until we know what that is going to bring forth it is impossible for me to say whether we have adequate equipment to meet the new forces structure requirement. At the present time our equipment is satisfactory. I would like to see something a little more adequate in the auxiliary unit and we have discussed this with Canadian Forces Headquarters.

The Beechcraft is antiquated and almost an aerial taxi in the sense of its capabilities, so something with a greater lift capability there would, I think, be to our advantage. It would probably give us greater flexibility in meeting U.N. demands that the government accepts if we had this additional reserve of aircraft and personnel. Other than that, sir, I think for the job we have to do right now we are adequately provided.

Mr. Laniel: This brings me to my main question. I would like some more comments on the analysis system which was mentioned in the briefing. In what way can you analyse your operations and what are the bases for that system. Is it a matter of getting there quickly? What standards do you have, not in detail, but are there any standards or is it by experience?

Air Commodore DIAMOND: Well, it is both and we have set standards. We know the job we have to do and we measure what we do against the standards. Now here is our expert, sir. Would you care to come over here Bob and use the microphone?

Squadron Leader GIBSON: Sir, our management analysis system simply involves a review of the factors that affect our operational capability, and there is a regular review once a month. The commander and the senior staff officers are briefed on these important factors. For example, our aircraft serviceability status; our personnel status; our supply of support; how quickly does the supply system support our spares; our delay rates. This is one of the important factors we watch because it measures how quickly our team is reacting to get our airplanes off on schedule; our accident rates. These are some of the main things and we do examine the sets that we use to monitor and watch trends to ensure we are able to do the best we can with what we have.

Mr. LANIEL: These standards are based on your own experience, but do you make comparisons with, for instance, the equivalent in the United States when they do equivalent operations?

Squadron Leader GIBSON: We compare them but we set our own standards from our own experience and we do compare favourably with military air command within the United States as far as our delay rates and this type of operation are concerned. We do have reports from the United States on their operation capabilities and we do compare; we compare very favourably, perhaps because we are smaller and can control it tightly.

Air Commodore DIAMOND: We have continuous and active liaison with military airlift command in the United States and we have a good opportunity to compare our operations with them. They compare very favourably.

Mr. LANIEL: You spoke, in the briefing, of efficiency and autonomy. What did you mean by autonomy? It is up to you to decide what equipment you use and where you use it and when and all that?

Air Commodore DIAMOND: We do not determine what we carry, neither personnel nor material. We are given the task and we select the type of equipment to perform that task.

Mr. MacLEAN (*Queens*): On an occasion such as when Winter Express was taking place, last spring how much of the capability of the command is diverted to a task of that sort. What other normal tasks have to be suspended, or had to be suspended then? I am thinking of such things as the normal service flights and things of this sort.

Air Commodore DIAMOND: Domestically, all service flights which involved Hercules and Yukon aircraft were suspended with the exception of the Arctic run. This exercise took practically all of our heavy fleet. We were, as you know, operating on the Zambian oil lift at the time and every airframe that we had of Hercules and Yukon, with the exception of the one service flight to the Arctic and the four that were in the Congo at the time, for the deployment phase, were used, every one of them. We had no reserve.

We did get two Hercules out of the Zambian oil lift for the re-deployment. We cancelled all these domestic services with that one exception. Now, this is a difficult situation because we have customers who rely on us and when we do this sort of thing we are not very reliable in that sense. We have to establish some sort of compromise so that we can service the military installations across the country. For example, let me take the air division. We concentrated on their requirements for a couple weeks prior to the exercise. We pulled the equipment out into Norway and then caught up afterwards.

Mr. MacLEAN (*Queens*): A secondary question: How long could the command have sustained an exercise like Winter Express if an emergency arose immediately after that and it required the same level of activity. How long could you sustain that? I am thinking of maintenance of aircraft, aircraft having to go in for major overhauls, relief crews and reserve in the case of accidents, and so on.

Air Commodore DIAMOND: The limiting factor is air crew. I would go back to the Cyprus operation where our serviceability was better at the end of that

operation than at the beginning but we were running very tight on air crew. We do not really know how long we could operate at maximum level. I suspect that with the crews we have now, all-out operation could go on for only some 14 days and we would have to reduce it to some extent after that.

Mr. MACLEAN (*Queens*): Just one brief question with regard to equipment: As far as Caribou aircraft are concerned, to what extent are they normally used in Canada? You have some here, I think. Is there a requirement for more Caribou, or putting it the other way around, would more Caribou aircraft be a great asset as far as capability is concerned?

Air Commodore DIAMOND: I would personally like to see some Caribou in the auxiliary squadrons to give us that reserve. We do use Caribou in the light transport role domestically. They are located here with our U.N. standby unit. We are constantly training air crew and ground crew to rotate to the Middle East. We have to have the capability of meeting another Lahore, or this type of thing, so we require a reserve. The extent of that reserve I could not say just now. I do know that an increase in that type of lift available to us for U.N. emergencies would be a desirable thing.

Mr. MACLEAN (*Queens*): Thank you, Mr. Chairman.

Mr. CARTER: I will reverse the order of my questioning to follow on Mr. MacLean's questions. I think you said your rate of operations was running around 50 per cent. When you include an exercise like Winter Express is that a part of your 50 per cent, or does that upgrade your rate of operations to 100 per cent?

Air Commodore DIAMOND: No, that was our peacetime operation.

Mr. CARTER: Then you are still capable of expansion to double that type of exercise?

Air Commodore DIAMOND: That is right.

Mr. CARTER: Another question on that: I think, if I remember correctly, the officer who briefed us said that in an exercise like Winter Express you would require seven days warning and seven days for the exercise plan?

Air Commodore DIAMOND: The contingency plan calls for seven days for deployment after seven days warning from the government.

Mr. CARTER: The seven days warning would be to collect the kind of equipment that you require?

Air Commodore DIAMOND: We do not require that time. This is the way it is laid down.

Mr. CARTER: Oh. You are just following a plan then?

Air Commodore DIAMOND: That is correct.

Mr. CARTER: Well, what would be the minimum requirement then, two days?

Group Captain MORRISON (*Chief of Staff Operations*): We have a stand-by requirement. For instance, we are required to put two Yukons into the air within two hours notice; in another 12 hours, two more, and so on, over a 96

hour period we get the full fleet, including those which are in maintenance. The seven day criterion which the commander is talking about is a criterion for the whole operation. It was not proposed by us.

Mr. CARTER: That operation actually took seven days?

Air Commodore DIAMOND: It took five.

Mr. CARTER: That is, to take them over?

Group Captain MORRISON: Yes. The real criterion for us is the seven day period allowed to complete the task and we in fact on this operation did it in five days. The commander did mention that the *Provider* was used so it was not—

Mr. CARTER: So you were well ahead of your schedule? I think the commander said something about your limiting factor would be air crew. The chart which was shown on the screen listed 6,972 regulars, 840 auxiliaries and 2,013 civilians. That is for this station here?

Air Commodore DIAMOND: For the whole command.

Mr. CARTER: It is for the whole command. How many of that 6,972 would be air crew?

Squadron Leader HOPE: In transport command, gentlemen, we have 378 pilots; 216 navigators and radio officers. There would be approximately 150 flight engineers to form the core of the air crew. We are having problems right now manning our transport technician field. This could be a limiting factor. However, in the event of emergency we would be required to more or less tell these people they would have to fly. Today there should not be, if another Cyprus came up, in the air crew situation, other than flight technicians, or transportation technicians, any problem meeting the air crew requirement.

Mr. CARTER: There would be less than 1,000 air crew, altogether?

Squadron Leader HOPE: Yes, sir.

Mr. CARTER: That is what I thought. Now, your total flying hours per year was 111,000 and that works out to say 111 flying hours per person. Is there a fixed number of hours that you must have; is there a minimum which each crew must put in each year?

Squadron Leader HOPE: There is a maximum per month that is allowed.

Mr. CARTER: There is a maximum per month. What would that be?

Air Commodore DIAMOND: It varies with the type of aircraft, sir. On the Hercules, for example, and I think the Yukon is the same, 125 hours a month is maximum.

Mr. CARTER: One hundred and twenty-five hours per month?

Air Commodore DIAMOND: Per month for air crew.

Mr. CARTER: Well, that is a lot more than your average rate of 111 flying hours per year.

Squadron Leader HOPE: You have not figured it right.

Air Commodore DIAMOND: There are two pilots per aircraft.

Mr. CARTER: Well, you have to think in terms of crews rather than flights?

Squadron Leader HOPE: Yes.

Mr. CARTER: You determine the number of hours per type of plane, based on the type of equipment which is being flown?

Air Commodore DIAMOND: Yes.

Mr. CARTER: Do you have any special incentive to keep people in air crew and to attract people to air crew; if that is your limiting factor that is one of the bottlenecks?

Air Commodore DIAMOND: We recently increased the incentive for pilots.

Mr. CARTER: That does not apply to the others. You are short of engineers, I think.

Squadron Leader HOPE: No; we are short of transportation technicians.

Mr. CARTER: You are short of transportation technicians. Technicians are your problem at the moment. Thank you.

Mr. LAMBERT: I am concerned about this operational reserve which is indicated by the questioning concerning Winter Express, in that Winter Express had been scheduled for some time and there had been pre-planning in the concentration of services to other customers both before and after. This is not what you would call operationally normal. To what degree do you require an operational reserve? We know that you can concentrate everything into one particular sector, but then everything else stands still. This can only go on for a certain time and the machine breaks down. What do you consider your minimum operational reserves?

Air Commodore DIAMOND: That is a very difficult one to answer, sir. As was explained in the briefing, our main purpose in life is to meet emergencies. In order to be capable of meeting those emergencies quickly we exercise our fleet on peacetime missions. Now, here is where the difficulty arises. If we are going to meet both, then we need a much larger fleet, and we will not have full utilization of the remaining fleet. I am not including the forces structure study. This will undoubtedly bring about a different situation but at the present time, with our operational commitments of No. one priority, if we want to cover those and continue to do service flights, as we are doing normally in peacetime, we would require a significant increase in our lift capability. I would say of the heavy fleet we have now that normally about 50 per cent is used daily in normal peacetime operations. So if we were going to have a capability of meeting the operational commitments that we currently have in emergencies and continue with the normal day to day operations we would require about 50 per cent more. I am not suggesting we should have it, but that is approximately what we would require.

Mr. HELLYER: I think of one point, Mr. Lambert. From the briefing it was made clear that the purpose of the fleet is the emergency and many of these service flight which are carried on from time to time are for the purpose of giving real training to meet the emergencies. Now, with regard to the question of the amount of disruption you have when the emergency arises. It would not matter how large the fleet was, if you exercise it with real cargo and real

passengers you have to disrupt it if there is any emergency. It would not matter if you doubled the fleet or quadrupled the fleet, if you exercise it, then you still have to interrupt that exercising if an emergency arises.

Mr. LAMBERT: Yes, I fully appreciate that, Mr. Hellyer.

Mr. HELLYER: I think what was involved in the seven days notice here, to a large extent, was really reallocating and trying to minimize the disruption as much as possible in meeting other commitments.

Mr. LAMBERT: This is all very well in planned exercise. However, planned exercises are of a set duration; emergencies, unfortunately, are not of a set duration. This is the point that I am after. All right, let us get ourselves involved in a Cyprus where the emergency requirement is of longer duration than what you have experienced in exercise, and that you have certain essential service requirements. Then that is when you must have that operational reserve. What I look for is an operational reserve. This is what I am trying to get at. Someone here said if we get an emergency we can call on Air Canada. We can take off some of their D-8's but if you have any urgency that is just when governments send people back and forth. Business sends people back and forth. That part of the machinery just cannot stop. Therefore, really that sort of capability of Air Canada or Canadian Pacific Airlines, any civilian craft, just is not there.

Mr. HELLYER: It would depend on how severe the emergency was, because if it was a real emergency you just second what you need and allocate it according to priority.

Mr. LAMBERT: What I want to know is, have we got enough, both in so far as crews and aircraft are concerned, to handle this type of situation.

Mr. HELLYER: The air commodore answered that question once, I think, when he said they could maintain the kind of operation they had for Winter Express for 14 days continuous and after that there would be some diminution. It depends on the criteria that are set. The criteria that were outlined here is moving a battalion group and its equipment in seven days to the northern flank of the NATO area. If we were to change the criteria as the force structure changes we might want to be able to move two battalion groups in seven days. Then, I am sure air transport command would come back and say "sorry, cannot do it, we've got to have more airplanes" and this will be part of the force structure study, so, when we lay down the criteria, if we want them to move a brigade group in seven days, they are going to require a lot more airplanes. We will have to decide how much we want, and they will have to tell us what they require to carry out that exercise in the time frame that we set down.

Mr. LAMBERT: There was one other factor. You are dealing with a relatively short period where aircraft maintenance and so forth, this business of taking aircraft off the line of operations and having to put them in for specific maintenance, becomes increasingly important in your figuring. You could perhaps get away with it for seven days; but you cannot for more than 14 and less for 21 days.

Air Commodore DIAMOND: On the maintenance side that is not quite true. Wing Commander Diack is our chief aeronautical engineer; perhaps he had better comment on that.

Wing Commander DIACK (*Chief Aeronautical Engineer, Air Transport Command*): We have our primary transport fleet, and what we identify as counter maintenance. We have an aircraft in after so many days. It is all scheduled, and preplanned. This, in fact, is contemplated to go on until we get into a dire emergency situation that we only have one or two aircraft, depending on the type, out of the system at a time. We are not tied to flying hours to any major extent. There is a leeway. We come to a flying hour barrier but essentially we are on a calendar maintenance, 70 days for Yukon aircraft.

Mr. LAMBERT: As an example, the dedicating of four Hercules aircraft to the Zambian oil lift really meant committing six aircraft from what I gather and what I can figure out. There were always two in some phase of rotation outside of the actual lift.

Wing Commander DIACK: That is right, sir. There were aircraft out of the lift but there was also a requirement to support the Zambian operation by what we call logistics support flight. A flight had to be made in anyway to support the operation, so we used that opportunity to exchange aircraft and bring them back to Canada for maintenance because second line maintenance has to be done in Canada.

Mr. MACLEAN (*Queens*): Putting it the other way around, to what extent have the other elements of the forces, for example, the air division and the brigade group in Europe, come to depend on service flights as a routine thing? What alternative facilities can they fall back on if suddenly service flights are no longer available to them by virtue of some other emergency which takes practically all the capability of air transport command?

Air Commodore DIAMOND: Commercial means.

Mr. MACLEAN (*Queens*): What is the calculation of the drop in efficiency from their point of view?

Air Commodore DIAMOND: From the user's point of view?

Mr. MACLEAN (*Queens*): Yes.

Air Commodore DIAMOND: I cannot really answer that accurately. This sort of calculation is done at Canadian forces headquarters in the logistics and movements department there. I would just like to state again that we carry what we are told to carry and we do not control that sort of thing. Therefore, it is difficult to evaluate the effect of pulling off our people. There is obviously a fairly serious effect. The extent of it I cannot say.

Mr. MACLEAN (*Queens*): I did not mean to imply that it was your responsibility anyway but I am wondering if some of our military forces, perhaps, have not got into the unjustifiable assumption that service flights will be available to them when they have a crisis. Under normal situations they have become a routine thing and if they are suddenly removed are they sufficiently prepared for such an emergency?

Mr. HELLYER: I think it is fair to say that much of the movement we do ordinarily is not an emergency nature. Certain parts support is, but even then there is some reserve kept on site. It is again, a question of the amount of dislocation and depending on the seriousness of the emergency, if it was bad enough you would have to second commercial backup.

The CHAIRMAN: Gentlemen, as part of our tour here I understand we were going to witness a briefing; is that correct? This briefing was laid on for quarter to twelve. I have three more questioners but I would not want to keep this briefing team standing by, as I imagine a matter of luncheon is involved.

Air Commodore DIAMOND: We are flexible there, sir.

The CHAIRMAN: We have three more questioners. Mr. Matheson, Mr. McNulty and Mr. Rock have questions.

Mr. MATHESON: Air commodore, my question relates to pay and benefits. It appears to me that air transport command is one branch of the service that stands in fairly direct competition with Air Canada on the one hand and commercial lines on the other. As a country we are going through obviously a disturbing period in the upswing with claims from a variety of sources but primarily labour at the moment. I would appreciate a very frank assessment by yourself of what you regard to be the pay and benefit conditions presently prevailing for this approximately 750 air crew in comparison with comparable conditions of employment elsewhere. I would also like to have your views, if you care to express them, with respect to what I think is an unfair government limitation for people who are pensioned off after serving Her Majesty's forces for such a length of time and finding it impossible to be employed by federal powers without a diminution of income. As I understand it, they have to lose some of their pension benefits. I feel that these people have been educated at very great cost to the nation and themselves and many of them would like to continue to serve Canada if they could without loss. I wonder if you could be helpful in that general area.

Air Commodore DIAMOND: First of all, on air crew pay, and let me take pilots to start with, we cannot hope to compete dollar for dollar with civilian operators, we cannot possibly do it; we do not have to. People are in the air force flying because they like it. They like the type of life. A Yukon captain, for example, would not like to fly between Toronto and Chicago and back and forth every day. It would be very monotonous for him. He likes the challenge of taking the airplane anywhere in the world that he is told to go. When he goes he is on his own. This is a tremendous challenge and he gets a tremendous satisfaction out of it. They are not in the air force to make money. They want to have the sort of life they like. They want to have enough money to bring up their families and educate them. It is a way of life. They like it.

However, we have to create conditions of service which will keep them in. The Minister is well aware of all these factors and is going to do something about it. We had an increase in pay for pilots recently. This had a desirable effect on the releases. This increase came nowhere near what the potential was on the commercial market. The people who had committed themselves to air lines went out, and a good number of chaps who were on the fence decided not to apply to get out and some withdrew their applications. So, it is not just money. We have not had this same competitive problem with other aircrew, radio officers and navigators. There is not the same demand. It is a supply and demand problem. These people do not want to leave the service. The ones who did leave left with tears in their eyes. They had no choice. They had to go. They could not afford to stay. However, we have been able to stem that tide.

October 1 looms large, Mr. Hellyer. I have just completed a tour of my command from El Arish to Comox. It is a large parish. I have spoken to a great many of our air crew and non-air crew during my inspections. The morale is good. If it was not, we would not do the job we are doing. There were a lot of questions, naturally, in their minds. And again, sir, October 1 came up wherever I went. But these people want to stay. They like the life. I would like to say again, it is a way of life; it is not just a job for them. I do not know whether I have answered your question on that side of it but this in general terms is the attitude.

Mr. HELLYER: The second part of your question is really political and this is under active study. The Associate Minister has taken it up and I do not know whether the Treasury Board has made a recommendation on it yet or not but it has been under very active study.

Mr. MATHESON: This is, of course, the pension aspect.

Mr. HELLYER: Yes, in the federal government service.

Mr. McNULTY: Mr. Chairman, two of my questions have been answered. I was nothing there will be four Hercules received shortly but there was no mention of any replacement or replenishment of the Yukon number. Is the number sufficient and if so, what is the life expectancy of the Yukon?

Air Commodore DIAMOND: I would say another ten years.

Group Captain MORRISON: The airframe is rated for 30,000 hours. I would say the fleet average is 3,500 hours and that is over a very active period of about four years, prorated that out.

Mr. McNULTY: Is the number sufficient?

Air Commodore DIAMOND: For the job we have to do, yes.

Mr. ROCK: Can you explain the role that Air Transport Command is playing now within the newly formed mobile command? I am most interested in integration and this did not seem to come up.

Air Commodore DIAMOND: In our briefing we mentioned exercising with the army. We have been doing this and it is increasing. Our direct association with mobile command is just starting to jell because they have been busy organizing themselves. But while they are doing this we are still operating directly with the brigades and battalions on a continuing basis.

Mr. ROCK: In the brief you mentioned in 1959 your headquarters for Air Transport Command was in Lachine and then it was transferred to Trenton. Can you explain the reason for the transfer, or, can any of your officers explain this?

Air Commodore DIAMOND: I was not in it at the time.

Group Captain MORRISON: Basically I think it was associated with our operation out of Dorval which was a growing concern and aircraft industry wanted the hangar line. There was absolutely no purpose in keeping the headquarters there if you moved the flying element. Coincident with this, training command moved to Winnipeg, which left this real estate available.

Mr. ROCK: I brought this up because the minister of the day when he made his announcement of the transfer gave the excuse the City of Lachine was going

to build a highway right through the air force grounds. All that was wanted at the time was the use of the road which Lachine owned. I just wanted to clear that up. I was on the city council at the time and I knew there were people complaining we were forcing them out. I knew we were not forcing them out.

Mr. GRILLS: Just a short question to the air commodore: At present, do you have your full complement of pilots and air crew that are required?

Air Commodore DIAMOND: Practically so. We mentioned the shortage of transportation technicians. These are the people who do the loading and unloading and take care of the cargo and what not. They are not being paid enough and they cannot afford to stay on. They like the job but they are away so much they cannot moonlight, and they are losing money. This is a basic fact. We are trying to get them established as air crew which they are. They are part of the air crew, and this would give them an automatic increase in pay. We have, so far, been unable to achieve that. We are losing them, and we cannot function without them. It was pointed out earlier, in an emergency we just shove them on board.

Mr. GRILLS: Has the bonus for re-enlistment been effective; has it helped?

Air Commodore DIAMOND: I would say yes, not very, but yes. It is difficult to evaluate that, very difficult indeed.

Mr. GRILLS: I have a question I might ask the minister about this. I had a call last night from an airman's wife; and she wanted to know if this bonus for re-enlistment was subject to income tax. What is the answer, Mr. Hellyer?

Mr. HELLYER: The answer, regrettably, is yes.

The CHAIRMAN: I think you had better talk to Mr. Benson about that.

Mr. LANIEL: I wondered if members of the committee could get, in Ottawa, a list of the aircraft, some kind of chart which would give us a list of the different aircraft you use and their capability, range, load and task. We have seen pictures here, but it would give us a general idea of your operation by type of aircraft not by your planning of operations for emergency or non-emergency.

Air Commodore DIAMOND: This is readily available and either we can get it for you or the operators at headquarters have it all there.

Mr. MATHESON: Perhaps this should be addressed to the Minister. If it is indelicate, then I do not expect an answer. It appears to me that a country such as Canada, so exposed in territory and subject to problems which are international in character, pressures at times which really are of an emergency character and quasi-military, should always bear in mind the possibility of our armed service being in a position to step into an emergency for intercommunications; I am not thinking only of transport but even such things as the C.B.C. I wonder if the services are prepared to think, in an emergency, of running this country competently, for survival.

Mr. HELLYER: Mr. Matheson, as you know, the emergency plans for Canada come under the Department of Defence Production. However, we have a tremendous capability in the armed forces and the best proof of that is that whenever anybody gets in trouble or there is an emergency of any kind from forest fire to flood to troops required in Cyprus, they call on us. The men and women of the armed forces carry it out with dispatch and efficiency because

they are professionals and they know what they are doing. They have a wide range of skills and capabilities which cover many of the tasks that would be required in almost any kind of emergency. I think the one thing we could do is to try to see that their capabilities and their dedication are better recognized.

Mr. MATHESON: And, bearing in mind, the facilities in Canada of our Crown corporations?

Mr. HELLYER: Without being specific, I would say that the members of the armed forces could do just about anything they would be called upon to do in an emergency.

The CHAIRMAN: We have one last question, Mr. Foy?

Mr. FOY: There is just one puzzlement to me, which has to do with weather—

Mr. HELLYER: That comes under the opposition.

Mr. FOY: Realizing that Air Transport Command training and everything is a build up for an emergency, I think I am right in saying that, I was wondering if you have any experience on an operation for a real emergency? Just what part does weather play? Have you had experience in this? Are there any great delays? Are you specially equipped to counteract weather more so, say, than commercial people are?

Air Commodore DIAMOND: More so? I would say yes, in capability, but actually our limits are the same. Depending on the type of equipment which you have on board, assuming we have top quality crews, which we have, limits are set. At the present time our landing limits are 200 feet ceiling and half a mile visibility. Future equipments are going to lower this. This is what we call a category three limit. The next one will be category two which is about one hundred and a quarter.

Group Captain MORRISON: Category one right now, sir. But this is not solely dependent on the airborne equipment. Your ground environment has got to go along. In other words, they have to be sophisticated together. Right now, on all the bases that we use in general, except with a couple of the experimental areas in the United States and the United Kingdom, the limits are standard whether it is commercial or military. The category two cuts those limits in half. This is what everyone is striving for now, technically and both air and ground. Ultimately, they go to category three which is the automatic zero-zero landing. My point is that it is not solely dependent on what you carry in an airplane. The ground environment has got to be sophisticated.

Mr. HELLYER: Zero-zero may be technically feasible but it is going to be awfully hard on the nerves isn't it?

Group Captain MORRISON: Yes, sir.

Mr. LAMBERT: One question, somewhat different: Does an operation like the Zambian oil lift put a higher degree of wear and tear on your equipment?

Air Commodore DIAMOND: Yes, because of runway conditions and that sort of thing.

Mr. LAMBERT: Generally, I mean runway, the type of cargoes; barrels in the aircraft, and so on. This is a hard job?

Mr. HELLYER: Generally, it was so hot the aluminum was melting.

Group Captain MORRISON: I think that the major impact on the airframe was caused by climatic conditions. The type of loads they carried out there is very similar to what they do here, for instance, in the Arctic. But the airplanes were subjected to a higher degree or a higher rate of corrosion, that sort of thing, than they would be it operated in a temperate climate.

Mr. LANIEL: In the field of communication for ATOC, is it all centralized here, do you have any relay stations? Is it done in connection with NORAD? Is there any general co-ordination of all flying equipment, either transport command or defence command? Do you have a completely separate system?

Air Commodore DIAMOND: Each command controls its own aircraft, at least, what they are doing. When they get airborne, of course, they are under, for example air defence command's own radar environment, or if they are not they are tied in with the Department of Transport control facilities. As soon as an aircraft is airborne here, from the navigational point of view, he is using commercial navigational facilities on airways and so on. We keep in touch with him. Flight follow him, as you will see in the ATOC shortly. We have communications with Europe direct. It goes through Ottawa and we can talk with Marville, for example; we can talk to an aircraft over Europe, by patching in through. It is a series of those things. But, as far as control is concerned, there is no one organization which has a plot of everything going on. It is split up across the country.

Mr. LANIEL: Will your different wings also control the planes that come under their responsibility, besides your headquarters here?

Air Commodore DIAMOND: Yes, on our direction; decentralization of action. We task a particular squadron and they carry out this task but we monitor the whole job from here.

Mr. LANGLOIS (*Chicoutimi*): As I see it, you do not have any full jets now in your fleet. Suppose tomorrow morning National Defence decides to buy six DC-8s and bring them down here; what happens?

Air Commodore DIAMOND: We would operate them. We would have to train for them, of course.

Mr. LANGLOIS (*Chicoutimi*): Have you got ground crews to make repairs and so on?

Air Commodore DIAMOND: They would have to be trained.

Mr. LANGLOIS (*Chicoutimi*): Nobody is trained on that yet?

Air Commodore DIAMOND: Not on that.

Mr. LANGLOIS (*Chicoutimi*): But there are some people trained in the air force, on that?

Air Commodore DIAMOND: Not on D-C8s.

Mr. LANGLOIS (*Chicoutimi*): No, but on jets, and so on?

Air Commodore DIAMOND: Yes, oh yes, on turbines.

Mr. LANGLOIS (*Chicoutimi*): I means it would not take very long to get people active on them? Let us say there was a major war tomorrow morning, a world war. At that time mobility would be on and everybody would want to get there as fast as possible. If Russia was having a war with us and has full jets we would need full jets to get there as fast as they do, too? We would just be buying jets, and in a situation like that we could not expect to fly jets within six months, is that the idea?

Air Commodore DIAMOND: About that.

Mr. ROCK: It would take longer to order them anyway.

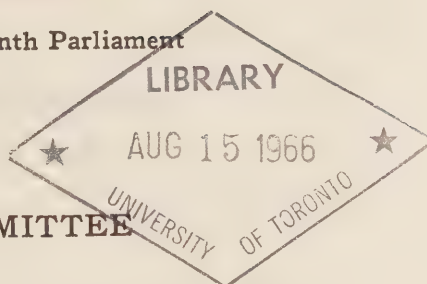
Mr. HELLYER: After you get them.

Mr. LANGLOIS (*Chicoutimi*): That I realize.

The CHAIRMAN: If that completes our questioning, gentlemen, I think we should move on to the briefing. Thank you very much.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament
1966



STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

FRIDAY, JUNE 17, 1966

Respecting

Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Air Vice Marshal F. R. Sharp, Commander, Training Command; Staff Officers Lieutenant Colonel A. M. Reid, Commander K. O. McKenzie and Major R. G. Libby.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter	Mr. Hopkins	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

FRIDAY, June 17, 1966.

(13)

The Standing Committee on National Defence met at 9.45 a.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Brewin, Carter, Éthier, Foy, Grills, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), Laniel, Lessard, MacLean (*Queens*), MacRae, Matheson, McNulty and Mr. Rock (16).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister, Mr. E. B. Armstrong, Deputy Minister; Air Vice Marshall F. R. Sharp, Commander, Training Command; Staff Officers Lieutenant Colonel A. M. Reid, Commander K. O. McKenzie and Major R. G. Libby.

The Chairman confirmed that the proposed visit to the Lockheed plant at Atlanta, Georgia, has been deferred until a later date, yet to be decided by the Committee.

Mr. Brewin noted that Lord Chalfonte, a Secretary of State for Foreign Affairs in charge of disarmament, will be visiting Ottawa on Wednesday, June 22, 1966, as the guest of the Secretary of State for External Affairs. Mr. Brewin suggested that Lord Chalfonte be invited to speak to a joint meeting of the National Defence and External Affairs Committees, during his Ottawa visit. The Chairman agreed to refer this suggestion to the Subcommittee and to consult with the Chairman of the External Affairs Committee.

The Chairman introduced Air Vice Marshal F. R. Sharp, Commander, Training Command, who began the briefing. He explained the history of Training Command, the magnitude of the reorganization which has taken place, and the present structure, functions and rationale of the Command organization. Commander McKenzie dealt principally with the closed loop training system. Lieutenant Colonel Reid described the Development of Integrated Training (*DINT*), followed by Major Libby who spoke about the integration of major trades training (*INTRAIN*). Finally, Lieutenant Colonel Reid dealt with the Base concept, followed by closing remarks by Air Vice Marshal Sharp.

The members questioned the Minister and the witnesses on various subjects related to the tasks performed by Training Command. The Chairman thanked the Commander and the members of his briefing team. The meeting was adjourned at 11.25 a.m., until Tuesday morning, June 21, 1966 when the Committee will travel to Mobile Command for a scheduled briefing.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

FRIDAY, June 17, 1966.

● (9.46 a.m.)

The CHAIRMAN: We have a quorum.

We are continuing with our discussions on item 1 of the main estimates.

We have this morning a briefing by Air Vice Marshal Sharp, the Commander of Training Command. Following this briefing we will have an opportunity to ask questions.

This morning there is no one scheduled for this room at 11 a.m., and we can run past our 11 o'clock deadline so far as the room is concerned.

There have been some rumours about the visit to Atlanta, Georgia, being on or off. I would just like to confirm that the meeting in Atlanta will take place later on, at some date to be decided by the committee, but it will not take place on the weekend of the 24th.

Our next meeting is on Tuesday, June 21, when the committee leaves at 8.30 for a visit to Mobile Command Headquarters, main door, Centre Block. We expect to be back before the House sits on Tuesday afternoon.

I would like to ask Air Vice Marshal Sharp if he would—

Mr. BREWIN: Mr. Chairman, I take it that the visit to Mobile Command will not cut into the time that Lord Chalfonte will be here?

The CHAIRMAN: It is my understanding that Lord Chalfonte will be in Ottawa on Wednesday next week, and it has been suggested that perhaps it might be a worthwhile exercise if we had a joint meeting with the external affairs committee, perhaps on Wednesday afternoon after the question period, to have a brief discussion with Lord Chalfonte on matters of disarmament.

I am just wondering if it would be thought advisable by members of this committee? I have not had a meeting with the Steering Committee, but I have heard this opinion expressed within this committee, and I would like to hear from anyone who has any ideas.

Mr. BREWIN: I would recommend it very strongly, if possible.

Lord Chalfonte, as some members of the former committee will know, was Gwynne Jones, the military correspondent of the *London Times*, and he briefed us when the Defence Committee was in London. Since the change of government there he has transformed his name to Lord Chalfonte, and he is one of the secretaries of state for foreign affairs. He is particularly in charge of disarmament, is a representative of Britain and is a writer of note as well as being an expert.

I think if he might give us some time, I imagine, as a representative of the government, that he would wish the discussions to be informal.

I believe he is speaking to the Canadian Club on Wednesday and will be the guest of the Secretary of State for External Affairs.

I would recommend it, if at all possible, as he is a very outstanding man.

The CHAIRMAN: Are there any other comments on this from the members?

I will meet with the members of the Steering Committee and with my co-chairman on the External Affairs Committee and I will have something to report when we meet on Tuesday. I will try to set it up for Wednesday afternoon, if that meets with your approval?

If you will, Air Vice Marshal Sharp, please?

Air Vice Marshal SHARP: Mr. Chairman and gentlemen, it is a pleasure for us to be here today to tell you about training command.

I am sure that those of you who have spent any time in the services will agree that most officers and men would prefer to be in an operational command rather than in training. I hope you will agree, after our briefing, that the training function has become a challenging function, an exciting function and one which taxes the capabilities of all of us.

These changes have been brought about by five interlocking factors. As a result of rapid advances in science and technology, military equipment is becoming increasingly complex, which means that we must, in training command, impart greater skills and greater knowledge. The rate of change is accelerating, so we must be able to adjust the training syllabi more rapidly than we have in the past. Sophisticated training techniques, methods and aids are available and we should obviously make full use of these.

There is the additional fact, considering Canada's position in the current world situation, that the men in operational command must be ready for despatch on short notice to any part of the world to meet a whole range of peacekeeping and military situations. They must, therefore, be trained in individual skills before they reach the operational commands.

Finally, all of this is occurring at a time when it has become abundantly obvious that we need to reduce the percentage of the total National Defence budget which is devoted to training.

These changing requirements are extremely demanding, and we must meet them if the Canadian serviceman is to retain his professionalism and position as one of the best trained in the world.

These requirements, which really boil down to a combination of greater and changing skills and knowledge at reduced per trainee cost, can be met, but this will perhaps mean major changes to our advance training methods and management procedures.

We propose to tell you today how we are organized to do this, to briefly explain some of our concepts and to outline our program in so far as we have been able to develop it. I would like to caution, however, that some of the plans which we will discuss have not yet been fully developed, nor have they received approval in detail. There will almost certainly be some changes, and certainly refinements to them before implementation. However, I think that what we will present will give you a reasonable indication of the direction in which we are heading.

Before we proceed, however, there is one significant general comment that I should make, and that is, that had we not obtained approval to unify the training of the three services into a single training command we would not be able to make the necessary changes at an acceptable cost. Many of the changes cost money. For each of the three services to make these changes on their own

would result in prohibitive overhead cost. Unified into one command, however, the cost can be spread out and become reasonable in relation to the return.

This is an example of one of the many additional benefits of integration, which may not have been apparent when the decision to integrate was taken, and which are now becoming apparent with increasing frequency as we progress toward unification.

Before integration training was conducted unilaterally in each of the three services in accordance with the philosophy considered best suited to that service. The training conducted separately was of a high standard and suited to the current situation. The major concern to these systems was not so much the calibre of the training, but the cost and, looking to the future, its ability to adjust rapidly to changing requirements.

In July 1965, with the integration of Canadian Forces Headquarters well under way and a new command concept designed on a functional basis, a commander-designate for training command was named and a small planning group of a dozen officers was formed.

The instructions given to the commander-designate directed the creation of a single training command, responsible for classifying and providing individual training for service personnel. They specifically excluded unit training, operational training, on-the-job training, Canadian services colleges, staff schools, staff colleges and the National Defence college. The instructions also directed an immediate reduction of 15 per cent among training staff, and an ultimate reduction of 30 per cent in training overhead.

FUNCTIONS OF TRAINING COMMAND

1. To operate a selection and classification programme.
2. To operate a basic military training programme.
3. To operate an elementary training programme.
4. To operate an advanced training programme.
5. To provide all Commands with syllabi, study material and examinations for trade and rank advancement.
6. To operate immediate support services for the above programmes.

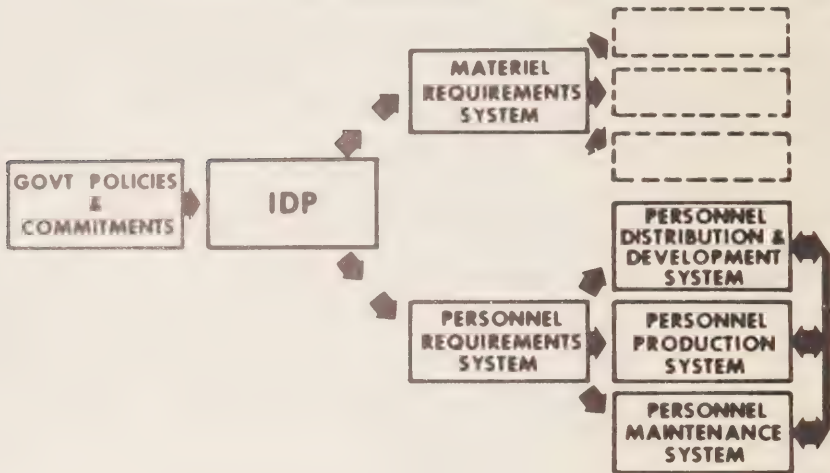
The specific functions which were given to the training command are shown on this slide. To operate a selection and classification program; to operate a basic military training program; an elementary and advanced training program; to provide all commands with syllabi, study material and examinations for on-the-job trade and rank advancement; and to operate immediate support services for the above and for the many units of other commands lodged on our bases.

The first step was to examine the functions of the command. We recognized, and fully accepted, the principle that training command was to be a support command, the sole purpose of which would be to provide an adequate product trained to the stated requirements of the user commands.

We recognized also that the new organization would have to permit substantial savings in overhead and at the same time training must continue to its current high standards.

The next step toward the planning of such an organization was to find total military system, and what requirements might be shown to be necessary.

TOTAL PERSONNEL SYSTEM



This slide shows, in very simplified form, where the personnel system fits into the total system. Everything that we do in military should stem from, and be designed to satisfy, the general policies, roles and commitments of the Canadian forces. These are expressed, in so far as requirements are concerned, in the integrated defence program. I believe you have heard something of that. Every requirement should be justified in terms of the I.D.P., which is the stepping stone to two requirements systems—the materiel requirement system and the personnel requirement system.

We, in training command, are concerned with the personnel requirements system which consists of three sub-systems: The personnel production system which is concerned with recruiting and training; the personnel maintenance system with pay, clothing, accommodation and that sort of thing; and the personnel distribution and development system which is concerned with postings and careers. Training command is concerned with the personnel production system, and this system will be explained to you in more detail in a few minutes.

The next step was to assume command and control of the unit allotted to training command. Training command is directly responsible for 13 bases, 49 schools and 29 ancillary and supporting units many of which are lodged on the bases of other commands. In addition, training is responsible for providing support to 75 units and detachments lodged on training command

bases and belonging to the other commands, and for the support of almost 100 militia units across the country. In addition we support a great number of air cadet squadrons.

TRAINING COMMAND BASES

CFB CORNWALLIS—HMCS CORNWALLIS

CFB ST-JEAN—RCAF STATION ST. JEAN

CFB BORDEN—CAMP BORDEN, RCAF STATION BORDEN

CFB KINGSTON—HQ E ONT AREA, CAMP PICTON, BARRIEFIELD

CFB CENTRALIA—RCAF STATION CENTRALIA

CFB CLINTON—RCAF STATION CLINTON

CFB WINNIPEG—HQ MAN. RE, FOB, RCAF STATION WINNIPEG

CFB PORTAGE—RCAF STATION PORTAGE

CFB CHILLIWACK—HQ BC AREA AND CAMP CHILLIWACK

CFB GIMLI—RCAF STATION GIMLI

CFB MOOSE JAW—HQ SASK. AREA, RCAF STATION MOOSE JAW

CFB PENHOLD—RCAF STATION PENHOLD

CFB SHILO—CAMP SHILO

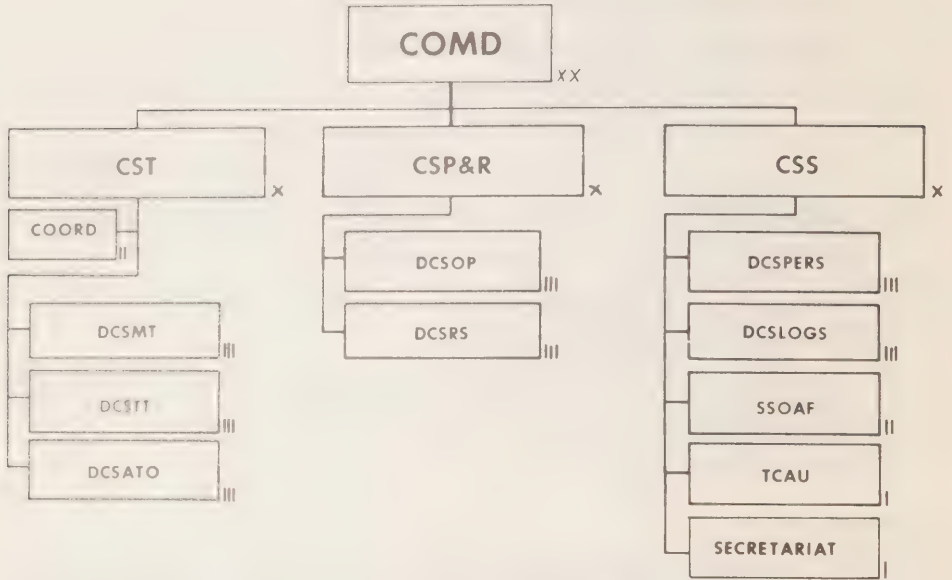
● (10.00 a.m.)

The 13 bases are listed on this slide, and the fact that it comes down at the bottom is no indication of the relevant importance that we place on the different bases; it has something to do with the projector behind me. The names on the left are the Canadian force bases names. Those on the right are what they were called until recently.

It is readily apparent that the area of training command operations reaches from coast to coast. Our current personnel establishment is about 19,000 and our student strength about 7,500.

Schools and units coming under command of training command have a capability of running approximately 2,000 separate and distinct courses. Obviously our first and most important task was to shift the direction and control of this myriad of activities from three different systems of operation and seven different headquarters to one headquarters, with an absolute minimum of disruption. It was easily seen that the command headquarters needed to be tailored to meet three basic requirements. First, a branch would be needed to look after the prime function of the command, which is training; a branch would be needed to look after continuing administrative and logistic support for all training command units and the many lodger units on our bases; and, finally, a third branch would be needed to plan the actual integration of training, to develop and guide a program to carry out the plan, to plan the extraction of the savings that we hoped to achieve and to develop a means of improving the quality of our graduates.

TRAINING COMMAND HQ



The headquarters which evolved from these deliberations is as you see it on this slide. It is a simple, straight forward organization. Below the commander we find, on the left, the training branch, headed by the chief of staff training who rank is brigadier equivalent, three directorates headed by full colonels and a small co-ordination section. On the right, the chief of staff support services, headed by a brigadier equivalent again, with two principal directorates at the full colonel level, one looking after personnel and one looking after logistics and maintenance. In Addition to that a financial adviser and an administrative unit for the headquarters, and a secretariat. In the middle, the chief of staff programs and research, who looks after the planning and research activities which I mentioned earlier.

After we obtained approval of our headquarters organization and our timetable and our proposals for assuming the functions allotted to us, the planning group moved to Winnipeg and we set up shop in September of 1965. The several months that followed saw the assumption of control of army training, the army schools and the physical organization of our headquarters which I have just described. Functional control of navy and air force training was taken over on the first of January, and the control of the support services

for all our bases on the first of April. At that time the former RCAF air training command headquarters and the army command headquarters were deactivated.

We are extremely pleased to be able to report that the training machine has continued to operate without pause.

The job, of course, is nowhere nearly finished with the establishment of the new headquarters and the assumption of control. There is now before us the need to effect the integration of training and to devise, as a result, more economical yet efficient organizations and training methods which will permit the extraction of the savings required. We will describe our program for this to you in a few minutes.

Before we get into the description of the program, however, I would like to say just a few words about the rational.

The overriding factor is that our training must meet the job requirements plus a factor for flexibility. We must not under-train nor may be over-train, and the danger, of course, is that we will tend to over-train, not under-train. Within this broad confine we intend to integrate training where skill and knowledge requirements are common, and this applies to a surprisingly large number of trades. Where skill and knowledge requirements are unique to an environment they will not be integrated. In other words, we do not intend to integrate training merely for the sake of integration. This concept will probably result in parts of now separate services courses being common and some parts unique.

There are, of course, two aspects to the integration of training. One is course content and standard and the other is the location of training. To example this I would like to use the trade of cook as an example. I appreciate that this is probably a rather dangerous example to use, because you are all probably experts when it comes to the trade of cooking. I will accept the risk of not being able to answer your expert questions later on.

I believe you would all agree there are basic skills and knowledge associated with the trade, which all cooks must have. In addition to this, there are other skills and knowledge which might be unique to a navy cook, an army cook or an air force cook. The intention is to set common syllabi and standards for that part of the trade which is common to all environments, and to teach the unique part only to those who need it. If it later becomes desirable to switch a cook from one environment to another he will then be taught the additional skill and knowledge.

From a purely economical point of view it would probably be best to give at least the common training, and probably also the unique training, at one location. We will attempt to do this wherever possible; however, there are other factors which enter into it.

We aim, also, to conduct, at one location, training for trades which are similar in terms of skill and knowledge. For example, all electronics trades training should probably be given at the same base. This is a long-range program, however.

I hope that from what I have said so far you appreciate the necessity for basing our training syllabi on an accurate knowledge of the work, and this information is also necessary to validate our training. I have also tried to give a brief insight into the magnitude of the reorganization required to integrate training.

To further amplify these two points, Commander McKenzie will first give a briefing on the training system, and then Lieutenant Colonel Reid will brief you on our program for integrating training.

Commander McKENZIE: Mr. Chairman, gentlemen, I shall speak upon the development of a systems concept of training for the Canadian forces, alternatively called a closed loop training system.

The costs of training and education have become so high that much effort has been expended in recent years in the field of training technology. Human engineers, systems engineers, psychologists and behavioural specialists have all been involved in training studies.

ASSESSMENT OF THE TRAINING REQUIREMENT

1. What must the trained man be able to do to fulfill his operational requirement?
2. What are the skills and knowledge necessary to enable him to do the job?
3. What skills and knowledge does the student have before exposure to training?
4. What are the most efficient methods of moving from 3 to 2 and 1?

It is now generally accepted by these experts that the assessment of a training requirement lies in the answers to the following question. What must the trained man be able to do to fulfil his operational requirements? What are the skills and knowledge necessary to enable him to do the job? What skills and knowledge does the trainee have before exposure to training and what are the most efficient methods of moving from No. 3 and No. 4 to No. 2 and to No. 1.

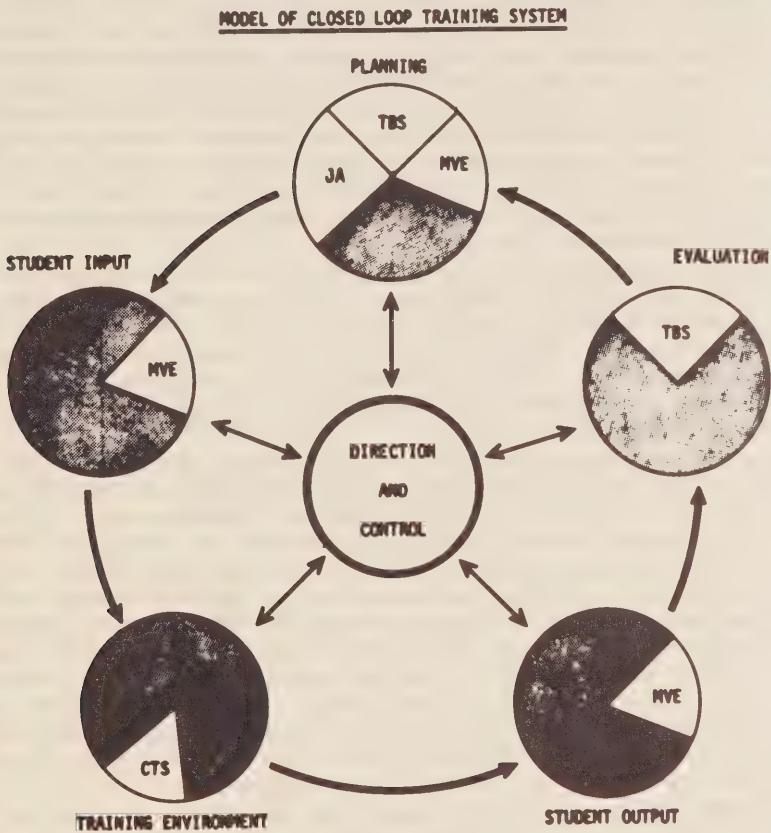
Following this belief we have postulated a model closed loop training system for the Canadian forces. This model will make maximum utilization of the tools of modern behavioural technology. A schematic diagram of this system shown here will be built up in this presentation.

I should like to state that we are not presenting something entirely new. As you know, each of the services, prior to integration, possessed effective training systems. Each of these systems performed functions which our model will perform. However, we believe that our model will perform many of these functions more effectively. For example, not all training was based upon firm specifications or standards which resulted from job analysis. We propose that our training will be so based.

Our model training system contains the following components: a planning component; a student input component; a training environment; student output; evaluation or validation; and direction and control. Training planning is not new. However, a new look is required to produce a precise determination and description of the nature of the desired end product.

Modern training technology techniques calls this description a terminal behaviour specification. It expresses the knowledge and skill requirements of a job in measurable—and I stress the word “measurable”—terms. As an example an older training document might contain the words “to understand OHM’s law”. The new terminal behaviour specifications would say “Given the resist-

ance and voltage applied to a circuit the student will be able to calculate the current flowing in the circuit, to three figure accuracy in one minute's time. The source of data for this document is job analysis—an accurate and detailed description of the work to be performed.



From the terminal behaviour specifications two other training documents are derived. A master validation examination is a tool which measures all the behaviour called for in the behavioural specifications. The course training standard is a modernized syllabus. However, since it is behaviourally conceived and student rather than teacher-oriented, it leads to references and study material rather than having references dictate the subject matter content of a course.

In the planning program, then, we must develop from job analysis the terminal behaviour specification and the master validation examination. At a later stage we shall develop the course training standard. In this and subsequent slides the labelled segments of the circles represent areas in which we have the greatest amount of development work to do.

In student input our present recruiting and classification programs are operating effectively. However, to reduce training time it is necessary to obtain a more precise measure of the skills and knowledge which trainees possess before training. The master validation exam is the tool we use to perform this measure. From student input we proceed to the training environment, the purpose of which is to modify the behaviour of the trainee. The modification should build onto the skills and knowledges possessed by the trainee only those changes which are absolutely necessary. The terminal behaviour specification tells us what he has to know or do. The master validation examination has told us what he knows or can do. The training environment must provide the difference. These behavioural tools are more precise measures of this difference than those we have used in the past.

From the training environment the student proceeds to examination in the field. The tool which is used to measure the student's ability on completion of the course is the master validation examination. Can he in practice do the things he has been trained to do? We expect that, since we have insisted upon measurable behavioural changes, this should be a straight forward process. However, some changes in the orientation of our thoughts toward examination will probably be necessary.

The evaluation component in our present system is the least formalized. By evaluation we mean a process of measuring the effectiveness of the trained man in his operational command, or his operational environment. It is really a product of the prime function of training command. The evaluation component will carry out the task indicated in the slide. It will provide continuous determination of the validity of the stated training requirements. It will give us a continuing assessment of the effectiveness of the training conducted and will give a continuous assessment of the effectiveness of the control procedures which we have employed. It will define and isolate training problems for further study. It will assess the examination sub-system. Finally, it will evaluate the personnel selection and classification procedures. We anticipate that formalization of this component will locate areas of over-training and under-training which are now most difficult to pinpoint.

The final component of our system is the one which provides the motive power to drive the machine. The direction control component must ensure that information flows in the system and that this information is in a usable or compatible form and that appropriate action is taken upon the receipt of the information.

To approach this model system many procedures and techniques must be developed. First, we must describe the desired end product in measurable terminal behaviour specifications based upon the job analysis now being conducted by CFIHQ and the trade specifications which will be developed from these analyses. Second, a formal evaluation of the training standards against the requirements of the user commands may require the invention of new techniques and devices. For example, we are not sure how we can measure attitude.

Without such measures we are not sure how we can measure the effectiveness of combat training without exposing personnel to actual combat. Third, we believe that further economies and greater efficiency may be achieved in many areas of the training system through automation. Initial study has indicated that planning, instruction, evaluation and examinations are fruitful areas of investigation for the use of computers.

We do not yet know how effective our model will be but we do believe we have a rationale from which we can examine our present system and from which we may develop a working system.

It is a legitimate question to ask: If our training has been appropriate in the past why is it necessary to make any substantial change? Proof that our past training has been adequate is the fact that Canadian servicemen are as proficient as any in the world and more proficient than most. Even so, it might be necessary to make substantial changes to our present system. In the first place the tasks that our servicemen perform are daily becoming more complex. The cost of training is consequently going up. We must therefore have a system which ensures that we do not over-train, or that we at least identify the extent of the over-training. Second, not only are the tasks becoming more complex, but the rate of change is increasing. We therefore need a system which reacts more quickly than our present system to changing training requirements. Finally, although our present system may have been optimum in the past, considering the state of the art of determining requirements and the instructional techniques then available, now we have an advanced state of the art and techniques which can be used to further improve our training system.

For these reasons we feel there is now a great need to improve the system, and in this respect our problem is very similar to that of materiel command who see the need to introduce a modern logistics system, or to air defence command before the advent of modern high speed aircraft and SAGE.

We are conducting a study which will investigate all aspects of the state of the art and determine what changes need to be made. Our preliminary studies and reading indicate that considerable improvements are possible, using terminal behaviour techniques, programmed learning and computerization. We visualize that this study will take some time and that we may require outside assistance.

Mr. Chairman and gentlemen, that concludes my part of this presentation. I introduce Lieutenant Colonel Reid who will speak on the development of integrated training.

Lieutenant Colonel REID: Mr. Chairman and gentlemen, the first major step leading to the integration of training was to establish our command goals. The goals not only had to communicate effectively what it was we were to accomplish, they had to include target dates for achievement. These goals must be reached without interrupting the flow of appropriately trained personnel and must provide for the unfolding of a new command posture in keeping with the direction received from Canadian Forces Headquarters, the limitations of manpower, finance, new construction, existing plants and facilities.

The five goals which have been established for training command are as follows: Goal one: to conduct training in accordance with the new integrated trade specifications by July 1967. Some of this training will, of course, commence before that date. A trade specification is a document listing all the skills

and knowledge required by a particular tradesman. Goal 2: to consolidate individual training in all areas determined as being common, to be completed by December 1968. This will involve relocating and combining separately located service schools which now give similar training. Goal three: to group all individual training which is not common at environmental training centres, to be completed by December 1968. For example, it might be appropriate and economical to locate all army tactics training at one location. Goal 4: to reorganize base support at training command bases, as dictated by the relocation resulting from the implementation of goals 2 and 3, to be completed by February 1969. Goal 5: to progressively reduce command establishments by a total of 30 per cent, these reductions to be completed by December 1969.

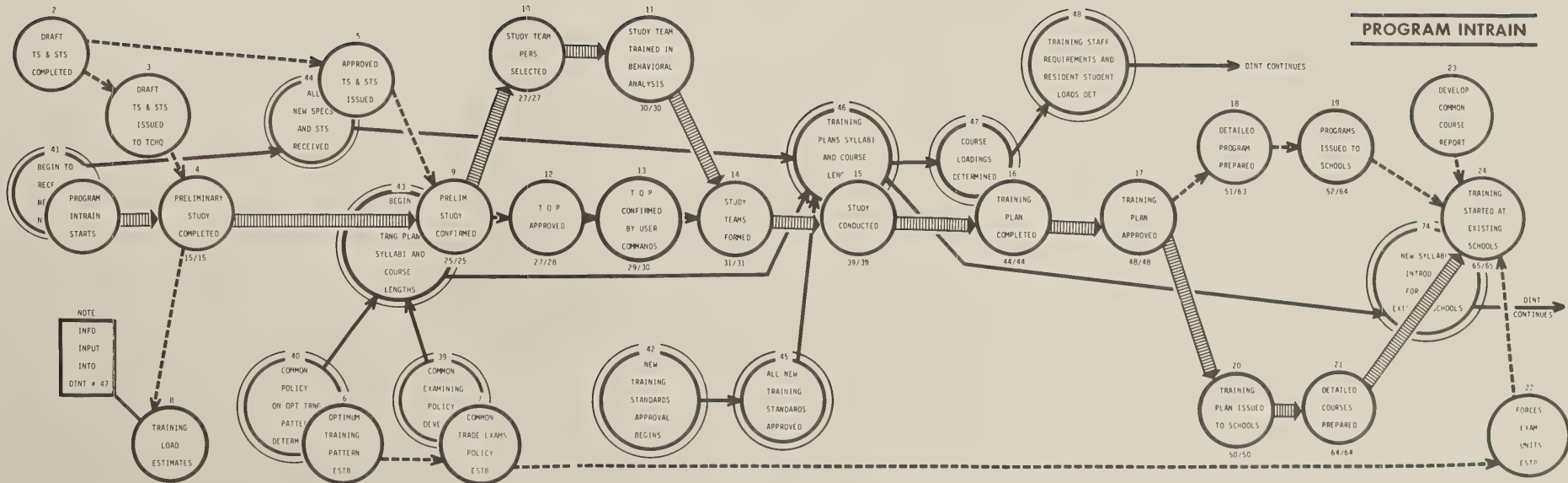
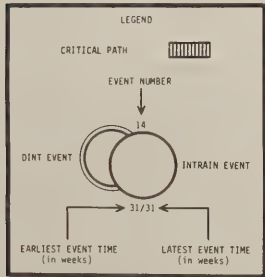
Having established these goals the next step was to develop a program to assist in reaching them and to provide a means of control over both planning and implementation. The program that has been developed is known by the code name DINT which is short for the Development of Integrated Training. The PERT technique, developed by the U.S. navy for the Polaris missile program, has been used. The word "Pert" means, of course, Program Evaluation and Review Techniques.

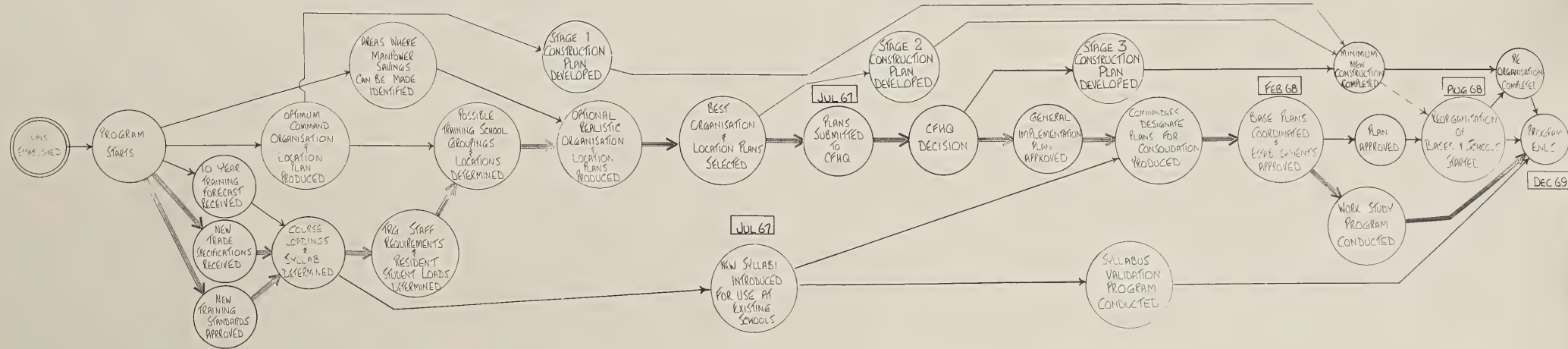
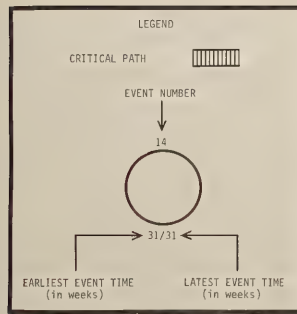
This is DINT in PERT diagram form. The circles are the events and these are the event numbers. The thick hatched line is the critical path. The program begins here and ends at the other end of the chart.

I appreciate that this chart is not readable and so the main events of the program have been summarized and are shown in more readable form on this slide. The program starts here and moves to the production of an optimum command organization and location plan after the study of 11 separate events has been completed. These events include the impact of carrying out selected training by contract and the impact of new proposed career policies. This optimum organization and location plan will provide an image of what the command should look like, and will provide a definite target to work towards. This will lead to determining possible school groupings and locations, but only after some 25 events have been considered, including the examination of our present plant and facilities; the determination of a flexibility factor to cater to fluctuating loads; station development and construction plans; the impact of mobilization and the impact of the introduction of new equipment. The most important one, however, is the determination of staff requirements and resident student loads. This is derived from the new course loadings and syllabi which, in turn, stem from a 10-year forecast of training requirements supplied by Canadian Forces Headquarters, the receipt of the new trade specifications and the approval of training standards for all other courses not covered by these trade specifications.

We appreciate that it may not be possible to produce a full 10-year forecast of training requirements, but the longer the period of the forecast the better our chances will be of ultimately meeting it. It would no doubt be derived from, and reflect, the content of the defence plan and the integrated defence program, the IDP. We will then identify, in detail, areas where manpower savings can be made. At this stage it appears that they will come from base support consolidation; combination of similar units; fewer but larger training bases; methods improvement and validation of training syllabi. The strategies of achieving these savings have yet to be worked out.

PROGRAM INTRAIN ISSUE 1 MARCH 66





**SUMMARY
PROGRAM DINT**

ISSUE 2 MAY 66

This will permit the next event to be accomplished, the production of optional realistic organization and location plans which will tie the optimum plan to our present and anticipated future facilities and resources in a realistic way. These options will, of course, be costed. The reduction potential of each will be assessed and the advantages and disadvantages compared.

Following this, the best of these proposals will be selected and submitted to Canadian Force Headquarters. These plans will cover organization, location, units to be moved, redundant bases and reduction goals.

The next event will be CFHQ decision on these proposals. An implementation plan to put the approved proposal into effect will then be produced and this will include personnel ceilings for bases and schools, priorities and timings. This will lead to the production of plans for each new base and its schools by the commanders or commanders-designate. These will include organization, operation, personnel, establishment, accommodation and so on. These will then be co-ordinated to ensure there is no conflict either in time, accommodation or moves, and to ensure a minimum disruption of training.

The whole plan is then set in motion by the approval of a master implementation plan which will have to be co-ordinated with CFHQ and the other commands. This will lead to the start of the physical reorganization of bases and schools, during which the whole command will be shaken out into its new approved posture.

The reorganization is then completed in this next event but this will not occur without considerable new construction being completed. This will stem from the development of a construction program developed in three stages: Stage 1 which will be based on early identification of continuing bases; stage 2 which will be based on additional continuing bases and the identification of training agencies to be located on them; and stage 3 will be made up of the rather urgent requirements to permit the reorganization itself to begin.

In the meantime, new syllabi resulting from the new trade specifications and training standards will have been introduced at existing schools and goal 1 will thereby be achieved. Goals 2, 3 and 4 and part of goal 5 will have been achieved here with the completion of the reorganization of schools and bases and the consolidation of training. The work study program and a syllabus validation program will then extract the balance of the manpower savings and permit the achievement of the total savings reflected in goal 5. The program ends here about December 1969.

Major timings on the DINT program are: Submission of proposals to Canadian Forces Headquarters, July 1967. Training to the new integrated syllabi will also be in effect by that date. The creation of new establishments will be February 1968. The reorganization of bases and schools begins on August 1968, and the program will be completed by December 1969. The whole program takes, as you can see, almost four years to complete.

The events and timings on DINT are under continual review and are subject to change as new facts and information dictate. DINT is a somewhat complex program in itself, but the diagrams I have shown you do not reflect the detail of the many subsidiary programs which support DINT and are intimately tied in with it. Many of the events represent complete programs in themselves. One of these will be described to you in a few moments.

● (10.30 a.m.)

To illustrate progress made to date on DINT the events shown here marked with green tapes have either been completed or are being worked on.

There are two events which may be of particular interest. The first is the progress to date in integrating and concentrating training. Changes in training organizations and systems are taking place rapidly. Some of the changes which have taken place, or are about to take place, are the forces school of management which is going ahead in Montreal; the forces school of instructional technique is planned for Clinton; Navy's English language training is being moved from Hochelaga and concentrated with similar R.C.A.F. training at St. Jean; it is also proposed to move air force officer English language training from Centralia and concentrate it as well at St. Jean. These are the first steps in developing an integrated school for this type of language training. Construction engineering training is being concentrated at Chilliwack. Naval police training is being conducted at the army provost school in Camp Borden. Basic helicopter training has already been integrated. Army junior NCO training is being concentrated at Camp Borden and the Citadel. Army senior NCO training is being concentrated at three centres, Kingston, Borden and Chilliwack. Navy group 1 communications training is being concentrated at Naden. Integration of recruit training is being studied in depth, and it is hoped to effect some degree of integration this fall. It is planned to concentrate firefighter training in Camp Borden, and it is proposed to concentrate R.C.A.F. pre-commission training with similar R.C.N. training at HMCS *Venture* in Esquimalt. Several other amalgamations are being, or are about to be, studied.

The other event which may be of interest is event 20 on the chart, the production of the optimum command organization and location plan. This has not yet been officially tackled, but it has been necessary, for a variety of reasons, to make an early forecast of the new posture of the command. The command might be made up of major training centres to carry out the broad areas of training. For example, a new entry training centre for recruits; a leadership training centre for officers and NCOs; a technical training centre for all technical trades; a maritime operations training centre; a ground operations training centre; and an air operations training centre. The latter three training centres could each include trainees from what have been the separate services.

There is one other large area of training, the personnel type or so-called soft trades, the clerks, cooks, military policemen, bandsmen and so on, and it appears at this stage there is little to be gained by creating an additional training centre for this purpose. The over-all command overhead can best be reduced by placing these schools on the other six bases just described, where the training is compatible and where a useful purpose can be served, or on bases of other commands when special circumstances dictate. If this sort of plan were ultimately adopted it would mean fewer training bases and a substantial reduction in manpower and overhead, as stated in the white paper.

What I have just described represents only a theoretical possibility, and much more study is required to produce the options which will lead to the final solution.

Gentlemen, this concludes this part of the presentation. Major Libbey will now describe to you the introduction of integrated trades training.

Major R. G. LIBBEY: Mr. Chairman and gentlemen, as Lieutenant Colonel Reid mentioned, program DINT when expanded will cover a wide variety of sub-programs. This part of the presentation will show you the sort of detail required and will explain one of the current sub-programs.

When talking about individual training we say that there are two distinct categories. First, trades training: This category is well defined and is spelled out in detail in trades specifications for such trades as cooks, vehicle mechanics and all others who form the new trade structure. The second category is non-trades training. This category is not so well defined and is not yet spelled out in terminal behaviour training specifications.

We have developed two sub-programs of DINT to cover these categories of training. The first program, called Intrain One, is designed to introduce integrated trades training by July 1967. It is progressing as rapidly as the production of new trade specifications permits. I will discuss this program in more detail in a moment. The second program is called Intrain Two. Its aim is to introduce common non-trade training at existing schools by July 1967. Intrain Two covers such areas of career and military training as pre-commission training; post-commission training; recruit; NCO; language training; air crew; and such subject areas as management; leadership; NBCW and instructional techniques.

I would now like to discuss program Intrain One in more detail. First, why do we need such a program? Prior to integration each service had its own trade systems and its own training organization. A total of 332 different trades were involved. The new forces trade structure has reduced the number of trades to 112 which are grouped into 56 career fields which form ten occupational areas. Our problem is, therefore, to introduce training based on the new specifications for these 112 trades. Since each trade has four levels of skills and knowledge we have to consider over 400 separate but related terminal behaviour training standards covering all trades.

This is program Intrain. For simplicity we have shown the applicable events from program DINT which are the double circles, and have superimposed the Intrain events which are the single circles. The hatched line is the critical path.

I might point out here that this program has nothing to do with location studies, but is designed to produce the detailed directions necessary to permit our schools to prepare and conduct the training.

The program starts with the receipt of draft trade specifications from CFHQ. A preliminary study is made of each draft specification in event 4 to determine the best method of training and qualification for each trade. We call this the trade qualification profile. In addition, the preliminary studies will let us decide the training to be done by formal course, the training to be done by the on-job training method and will produce training load estimates.

On receipt of the approved trade specification in event 5 our preliminary studies will be confirmed. The method of training and qualification will be approved and confirmed by the user commands in event 13. At the same time teams of specialists, trained in behavioural analysis, will be formed to prepare the terminal behaviour standards which will govern the formal courses and the

on-job training. These are required to make a complete training package for each trade. This work is time-consuming but we plan to complete the studies in event 15 by late this year.

The results of each study will then be put in the form of a training plan in event 16, for each specific trade, and, after approval, will be issued to the existing schools to permit them to set up the necessary courses. At the same time the courses will be scheduled so that training can start in July 1967.

This, in conjunction with program Intrain Two, achieves goal 1 and program DINT continues. At the present time we are conducting preliminary studies of approximately 50 draft trade specifications, and we expect to receive the remaining 62 by mid-August.

In concluding this part of the presentation I would like to say that training command, through the use of control programs such as DINT and Intrain, is making steady progress in introducing integrated training.

That completes my part of the presentation, and Colonel Reid will now brief you on the base concept.

Lieutenant Colonel REID: Mr. Chairman and gentlemen, I will now describe briefly how training command is handling the new base concept of operating our static installations.

On the first of April 1966, training command became responsible for the 13 bases already described to you. In several of these, functions had to be assumed which were formerly carried out by army command and area headquarters. In addition, on three of these bases it was necessary to integrate the functions formerly carried out by RCAF and Army establishments working side by side within the same geographic area, but on single service lines. Four of the 13 bases have, in addition, a major responsibility for the administrative and logistic support of militia units and cadet organizations.

On the take-over of these base responsibilities it was most important to ensure that the administrative and logistic support being provided under the old single service organizations did not falter during the take-over phase. We believe that we can honestly say that we have been able to achieve this aim on all of our bases. Rations, pay and allowances, POL and transportation services have been continued to all units within the base complex.

Under the base concept, we have to take care of those units which form part of the static base establishment and which, under reorganization, will lose their identity. In addition, there are integral units on each base which must be supported and these are units which come under the command and control of this command. There are, as well, on all bases, lodger units which have to be provided for. These are units which come under the command and control of another command headquarters. For example, 3 RCHA, the artillery regiment in Winnipeg, is a mobile command unit. It is, therefore, a lodger unit on Canadian Forces Base at Winnipeg, one of training command's bases.

While all bases are required to make adjustments to their organization in order to bring them into line with the new concept, problems were encountered in integrating RCAF and army functions which were operating side by side. We believe that the base commanders charged with this task, mainly those at Borden, Winnipeg and Moose Jaw, as a result of the co-operation and effort of both RCAF and army staffs and the support units on-site, have been able to

make real strides forward in resolving these problems. All bases are reorganized now and are operating on an integrated basis. In the case of Moose Jaw and Winnipeg army staff have been moved from Regina to Moose Jaw and from Fort Osborn barracks in Winnipeg to the RCAF site in Winnipeg to take up integrated duties in the new base organizations.

To give you some idea of the detailed progress which has been made under the integration of the base organization we can look in detail at Winnipeg. Here the army complex existed on the south side of the city and the air force installations were located on the northwest side of the city. To date, the construction engineering sections of these two former commands have been amalgamated and are functioning on an integrated basis. This has resulted in personnel savings. All personnel processing, documentation, records and the normal type of orderly room services have also been centralized, completely integrated and again savings in personnel have been made.

Base transportation services have been consolidated; however, it has been necessary to have vehicles and their drivers stationed on both the north and south sides. This will continue until it is possible to close out certain accommodation. This we would hope to be able to accomplish during 1967.

Technical services have also been integrated under the one staff head, as had the food services organization and the handling of educational and recreational facilities for the troops. All police services have been fully integrated and the control of all military housing and the DND public schools has been placed under centralized control.

We have been able to implement a central ration accounting and distribution for all units in the Winnipeg area and those ranging as far afield as HMCS *Churchill* in the north to HMCS *Griffin* at the lakehead. As a result of this integration process we anticipate making savings in personnel positions on the purely support side of approximately 135 in the Winnipeg area alone.

Similarly Camp Borden one could say the fence which previously existed between the old army Camp Borden and the RCAF station Camp Borden has been torn down. The personnel involved in the base support functions now work on a fully integrated basis in the assigned accommodation, regardless of which side of the former fence it happens to be located on.

At the moment, the reorganizations which have been made are on essentially a temporary basis to ensure continuation of the administrative and logistic support functions. Base commanders are now in the process of studying and producing firm new organizations and establishments which will make the necessary savings in positions resulting from the reduction to the establishment ceiling within the old command. It is our intention to submit firm establishment proposals to Canadian Forces Headquarters this year, for each of our 13 bases.

It is only fair to point out that, until such time as new common pay, maintenance and supply systems have been developed and introduced, it will be necessary to retain single service handling of these functions, albeit under centralized and even integrated control. This means that the ultimate savings in overhead, which we can see as being possible under the new integrated concept, cannot be made until these new systems can be introduced. In the meantime the process of co-location will help to make the transition easier when it does come.

We also believe that the new base manpower ceilings will have the effect of forcing base commanders and their staff to find more economical ways in which to accomplish their functions.

The integration of all functions on our bases is, to a large extent, dependent either upon minor modifications to existing buildings, or, at worst, on the need for new construction to allow for the proper housing of support groups which are now separated. Where modifications alone are necessary these are being, or will be, done quickly. Where new construction is required the necessary plans are being prepared so that the reorganization of these bases will not be delayed any longer than is necessary.

In conclusion, within training command, we believe that the reorganization of our bases is progressing on an integrated basis as rapidly as the accommodation situation will permit. Many of our early worries regarding the effects of integration are proving false or exaggerated. We can see now that with continuing co-operation among the services, of the type that we have already seen demonstrated, the reorganization along fully integrated lines can be successfully carried out.

This completes this portion of the presentation.

Air Vice-Marshal SHARP: Mr. Chairman and gentlemen, in conclusion, I would like to make one or two points as rapidly as I can.

In the first place, we have described to you today three or four of our programs. Lest you think these are the only programs that we have, I might say we have on our books about 121 separate programs. Obviously, this is our largest, but we have many others which are fairly complex.

We have already, perhaps, taken up too much of your time. I hope this briefing has given you some insight into the planning and the work which we are doing in training command. While these programs are going on, of course, we are also making sure that the training which is going on now is being conducted in a proper manner.

We believe we have an important task to perform. We will do our best to do it effectively and efficiently, so that the expertise of the Canadian serviceman will continue to increase and enable him to meet any wide range situations that might arise.

Thank you very much, sir.

The CHAIRMAN: Thank you very much, Air Vice-Marshal Sharp. It certainly sounds as though you have a large, complex and very technical problem.

We are obviously not going to have time for all our questions before 11 o'clock when the house sits. I believe we can have this room again this afternoon at two o'clock. We will see how we get along on the questioning in the last ten minutes. I have only one name so far, Mr. Carter.

Mr. CARTER: I gave a whole page full of questions, Mr. Chairman, but I will limit myself to three.

When you bring young people in for admission to these technical trades like electronics, do you insist on a specified knowledge of physics to enter that, or if they have the other qualifications do you have upgrading classes to bring them up to the standards required?

Air Vice-Marshal SHARP: At the present time, sir, the answer is yes to both parts. We insist upon a minimum standard, and we also have some forms of upgrading; but basically we rely on a minimum standard.

Mr. CARTER: We have heard a lot of discussion about all sorts of studies that are going on. Are these studies being carried out by service personnel alone, or do you have the advice of civilian specialists in various fields?

Air Vice-Marshal SHARP: In many cases the studies are being carried out by service personnel alone. However, we have access, as you well know, to DRB, to other research organizations such as the Paru organization in Toronto and we also have access, if we feel we need it, to civilian consultant organizations. I believe, in one of our briefings, we mentioned that we felt in this particular case that we would need this kind of advice.

Mr. CARTER: The thought that occurred to me, as I saw this program unfolding, is that what you are doing would be a wonderful step towards uniformity in trade standards all across Canada, which we do not have at the present time. It seems that this is a step in that direction. I was wondering to what extent you were thinking along those lines and working in liaison with the civilian authorities which control the various standards in the provinces?

Air Vice-Marshal SHARP: Sir, I believe uniformity of education and training between the provinces vis-à-vis the federal authorities is a little bit beyond the competence of training command.

However, we do carry out informal discussions with universities, because we need the fruits of the university research work. I have talked, for example, with the University of Manitoba, the University of Western Ontario, and with McGill, on this basis. These are preliminary discussions. If we were to enter into a formal arrangement with them, of course, this would have to come up through Canadian Force Headquarters to get approval.

Mr. CARTER: I have one other question which is on a different subject. Do you make provision in your training program for training for psychological warfare?

Air Vice-Marshal SHARP: Not as a separate, distinct subject, of course. This is the sort of thing, it seems to me, which enters into some aspect of all combat training courses.

Mr. CARTER: You do not treat it as a separate thing?

Air Vice-Marshal SHARP: Not as a separate, distinct course.

Mr. CARTER: That would be true, also, then, of ideological training? You have no professional training for ideological warfare.

Air Vice-Marshal SHARP: No, sir.

Mr. MACRAE: First of all, Mr. Chairman, may I say that I think we have had an excellent briefing this morning. It shows that a great deal of effort has been put into this part of our program, on which I compliment Air Vice Marshal Sharp and his officers.

I have just two very simple questions. You mentioned a moment ago that you have lodger units on your training bases. Do you have people on other bases?

Air Vice-Marshal SHARP: Yes, we do, sir.

Mr. MACRAE: I was thinking specifically of Camp Gagetown—CFB Gagetown, now. Who would you have there, for example? Could you tell me offhand?

Air Vice-Marshal SHARP: We have an army personnel depot at Camp Gagetown.

Mr. MACRAE: The army personnel depot there is yours?

Air Vice-Marshal SHARP: Yes.

Mr. MACRAE: My second question is: Major Libbey, or one of the others that mentioned, program learning. How deeply have you gone into that, up to this point?

Air Vice-Marshal SHARP: We have gone fairly deeply into one aspect of that, sir. However, there are two aspects to program learning, as I understand it.

In the first place, program learning, to be effective, depends on having an extremely accurate description on the job requirements. This is particularly true in the case of the military where we train for specific jobs. Most of the research which has been done concerned program learning has assumed that the stated job requirement was correct and has applied program learning to that job requirement. Now, the latter aspect of it, applying program learning to a particular, stated job requirement, has been fairly fully researched and developed.

These programs have not all been successful, as you know, but where we feel, in so far as the military is concerned, that the research done so far falls short of our requirements, is that it has not researched a method of finding out a precise statement of the job requirement—how to do this precisely and in terms which can put it into program learning. This kind of research has not been done to my knowledge.

It is easy to understand why it has not been done, because the research has been done mainly by universities and schools which do not train for specific jobs. The university educates and there is a great difference between education on the one hand and training on the other. It is in this latter area that a great deal of research is required. We can use the research which has been done in the other area.

Mr. MACRAE: Thank you very much, Mr. Chairman.

The CHAIRMAN: I think I can safely say that, as a committee, we have been stunned by the complexity of your problems, and we were very impressed with the vigorous attack you are making upon it.

I know that later on this year we are hoping to be able to visit your command.

The bells are ringing now, but I do not anticipate that there are going to be too many questions. Perhaps we could continue for the next ten minutes or so. I have two more questioners on my list. Let us see if by any chance we could get through this morning.

Air Vice-Marshal SHARP: Sir, we have reservations on Air Canada for this afternoon but we can cancel them, if required.

The CHAIRMAN: If I catch the spirit of the meeting, I think we might be able to get through in the next ten minutes or so. Is it agreeable that we continue?

Agreed.

Mr. BREWIN: Mr. Chairman, I would like to join in the compliments to the program to which we have been introduced. I have been wondering if this sort of thing could not be transferred to parliament and we could have a DINT program to improve our terminal behaviour standards!

● (11.00 a.m.)

If I may come to a rather different point, we have had a lot of discussion about the organization. I wonder if we could just have a word upon what I would call the adjustment to the changing function of armed forces?

I have noticed in the past a tendency to train people for the type of combat duties which were perhaps appropriate to a past era. I myself was trained to fight the Boer War. I wonder if the new training concepts, in their content, include an adjustment to the importance of strategic and tactical mobility—instead of fighting the massive battles of the past, the necessity for dealing with high mobility and organization. The general tendency of our whole armed services seems to be to fight a different sort of operation, and I notice on reading an English book, that they say that recent lessons have been absorbed into the new training manual and that the whole nature of training has been adapted.

I wonder if we could have just a word on that aspect, as well? After all, you could have the greatest organization in the world, but if you are not training people to do the things which are required to be done it may not help you very much.

Air Vice-Marshal SHARP: There are two aspects to that, sir. In the first place, the type of training that you are talking about—at least, a great deal of the type of training that you are talking about—does not come under training command. The operational training, the staff schools, the staff colleges, Canadian services college, National Defence college—that sort of training is not the responsibility of training command, and I would not feel free to comment on what sort of training they were giving. However, obviously, of course, the work that is done by the other ranks, and the job done by officers, as well, in the field, reflect what is taught in these schools which are not our responsibility, and in so far as this is reflected in their work it is our responsibility to get an accurate measure, or description, or definition, of the work that these people do, and train to it. We do not create the standards. This is done by the operators. We train to their requirements.

I am afraid I cannot give you a very satisfactory answer on whether it meets the requirements you have stated, because it is not my responsibility.

Mr. HELLYER: I think I might add that the training provided really stems from the roles and missions set by the government and implemented through headquarters which then sets the requirements to provide job descriptions.

Therefore, this is not really the command to which you should direct that question.

Mr. BREWIN: I will, perhaps, have to question you about that.

Mr. HELLYER: I am sure you will, Mr. Brewin.

Mr. LANIEL: You said you were in contact with universities. Are you also concerned with what is done at military colleges. I realize you have nothing to do with it, but actually there must be some developments there as far as concerns planning, and all that.

Air Vice-Marshal SHARP: Yes, sir. We are very concerned with what is done there in the sense that, in some cases, we use their product, and we have to give additional training to their product.

What I meant when I said that I was not concerned with it was that I am not concerned as a matter of its being my responsibility. Of course, we are concerned with what is taught at the Canadian services colleges, and I think we keep fairly well up to date on it.

Mr. LANIEL: You say that standards are given to you by the Canadian forces for the different training that you have to give. What worries me is that when a boy joins the service he will select a trade and for that trade Canadian forces will say that this boy has got to learn this, or he has got to learn that—he has got to become a specialist in this field and that field.

However, over and above that, I think, which it is very important, is the possibility of getting into the mind of the student, or of the fellow you have under your plan, that he might aim at something more than that. Actually if you train someone for a specific trade this does not open to his mind the possibility of making a career for himself in the service. Are you training a man for a limited job? If he wants to get other knowledge, is this available to him? I am thinking of drop-outs.

After you have taken a boy who joined as some kind of a technician and you have made an expert out of him, he is committed for five years. He can pay back by the service he can give to the armed forces, but after the completion of his five years does he find that there are other opportunities to advance his general knowledge and specialization? Is that taken into account in all of your programs?

Air Vice-Marshal SHARP: Yes, sir; in the case of every trade there are different groups. You can proceed from one to the other which requires a higher skill. In some cases the individual servicemen proceed from group 1 to group 2 by formal course method, and in some cases by on-the-job training; but the opportunity is open to the man to make this sort of progress.

However, there are two fundamentally different ways of training a man to reach the top. You could assume, as a group of people comes in, that they are all going to stay for five or ten years, and, based on that assumption, give them a great deal of the training even up to group 3 standard on their initial training. This would give us more flexibility. On the other hand, if the man is not able to progress at all, or if he was not going to stay with us, it would mean we have wasted some training.

What we would prefer to do would be to train a man so that when he goes to the unit he is a useful member of that unit, and if he wants to progress in his trade group and shows the aptitude then we will give him the additional training.

Mr. LANIEL: Yes; but you scare me when you speak of under-training and especially when you speak of over-training.

Air Vice-Marshal SHARP: I scare myself when I speak of it. It is hard to determine. I think I understand what you are getting at. You are afraid that we are going to make a man too specialized, and we will therefore lose flexibility from our point of view and, from the man's point of view, he will see himself as too narrowly specialized and will therefore not be able to progress.

I think we can assure you that this will not happen. We will have the courses available for the man to progress. This is our intention, and I see no reason in the world why we will not have them.

Mr. LAMBERT: This question follows up on what Mr. Carter was saying. One of the inducements to young men to join the services is to learn a trade. With a lot of the men you are not considering them for a lifetime career and therefore this is the inducement which is offered to a young man leaving school, that he will provide you with five years or perhaps ten years of his life, and come out of the services qualified to take his place in civilian life, with some qualifications whereby he can feel that he can prove himself. This may be very difficult. What consultation is held with, shall we say, departments of labour, or industry, in the provinces to obtain some uniformity of standards of qualification?

Take the example that you train a man as an electrician, or as a mechanic. If, at the end of five or ten years, he is going to come out of the service and find that the certificate and qualifications you have given him do not meet the standards, or that there is some difference in standards with provincial certification, then he is up against it.

I will admit that the aim of the armed services is not to qualify men for "civvy street", but I think if you are going to induce men to come in there must be some aspiration, or something in the future, so that the recruit may say, "Yes, I will get my training, and then I will be able to make my lifetime career as an electrician, or as a mechanic, or as a heavy equipment operator". How far have you progressed in this? You did mention that you had been talking with some of the provincial authorities.

Air Vice-Marshal SHARP: I mentioned that I had been talking with some of the universities.

Mr. LAMBERT: Is it contemplated to talk to the provincial authorities with regard to the trade qualifications?

Air Vice-Marshal SHARP: We have not yet done so at the command level. They may have done so at the Canadian Forces Headquarters level.

However, the assumption implied in the initial part of your question, that we do not necessarily hope to keep people in the services for more than five or ten years. I am not too sure that I would accept that my personal view is that we want this man in for a career. We need him.

The second point, in answering your question, is that I believe that if you look into it, particularly in the electronics trade which is one you mentioned, you will find that the graduate from a Canadian services school concerned with electronics is certainly of a much higher standard than his equivalent out in civilian street, because of the extremely complicated equipment that he works with.

Mr. LAMBERT: I think it would be unrealistic to assume that all the men that you are going to get at the soldier level, or at the airman level, you are going to keep. For one thing, physically they are not able to take it for certain types of jobs or requirements in the services.

I will admit the problem is complex, but, to me, there should be some form of rationalization, or some meshing-in with the standards set up, as for instance, in the institutes of technology in the province of Alberta—that the certification which you give is accepted. I am not saying that your training is inferior at all, but is it accepted as such, or the equivalent of a certificate granted by, say, an institute of technology, which is the requirement for, say, a provincial department of labour to give a man a journeyman certificate? If he has not got his journeyman certificate he is not accepted by organized labour, for instance, in certain fields.

Air Vice-Marshal SHARP: I would say, sir, that it would be a very useful thing if we could make such an arrangement, but we would have to do that with each province.

Mr. LAMBERT: This is where the complexity arises.

The second part of my question is: What is the position now, or what is the contemplated position, of the permanent depots for, in particular, some of the army units? I am thinking, for example, of that of the Princess Pats in Edmonton where you have a depot unit which is part of training command, and then there is the battalion which is part of mobile command. It is contemplated that these depots will continue, or will they be merged into army personnel depots? For instance, a man will go directly from an army personnel depot which would be the holding unit for the mobile command battalions.

Air Vice-Marshal SHARP: The agreement between ourselves and mobile command in this respect has not been finalized. However, if I may be permitted, I would tell you what our concept is. I believe General Allard will agree with this—in fact, I am sure he will.

We want to ensure, more than has been done in the past, I think it is fair to say, that when General Allard in mobile command receives a man from training command he is a more completely trained man than he was previously. For example, up until now an infantryman did not arrive in mobile command with a group 1 trades qualification. We hope to make sure that he will arrive there with a group 1 trades qualification so that General Allard can concentrate most of his energy on operational training and be ready for despatch, as required, on short notice. We are going to have to make some arrangement whereby we give this training. As a result of this, it obviously will require a reorganization of the personnel depots, or, at least, a redefinition of their function. The details of this have not yet been worked out although I believe—

Mr. LAMBERT: This brings up a further craft problem of, shall we say, the differences in units in mobile command. There is one undefinable item which has not spoken about this morning, and that is a thing called *esprit de corps* which, as you know, is very important. Within your army units in particular you have say Highland units with their type of march and their traditions and you have the light infantry units. These are all part and parcel of the plan and I do not think you can assess them on paper, but when it comes down to the matter of the qualities of a fighting man they are damned important.

Air Vice-Marshal SHARP: We appreciate that, sir.

Mr. LAMBERT: In the air force it comes in as being an airman. In the navy it may go to a ship, or it may go to a branch. These are undefinable and sometimes, I am afraid, these are the things which are being lost sight of.

Air Vice-Marshal SHARP: I do not think I would agree with that, sir.

Mr. LAMBERT: This is the fear that is being expressed by many of your colleagues in the service. Where is it contemplated that there will be this type of exposure and indoctrination, if you want to use that term, of a unit.

Air Vice-Marshal SHARP: If I may express my personal opinion on this, it seems to me that esprit de corps—that sort of thing—is not developed but one has it at four or five different levels. First, one must be proud to belong to the services as a whole. This sort of feeling must be developed. Next, down at the command level—and we are talking about mobile command—men in the command must be proud to belong to mobile command. They must think that it is the best command of them all. That has to be developed within the command. Then you get down to lower levels, the unit. Whatever unit they are in, that must be the best unit and the best men.

This is surely a continuous process which it is part of the responsibility of leadership at each level to develop. I am not saying we should not try to do it in training command. Obviously, we have, and we have given a great deal of thought to how to do this—how to foster and encourage it.

However, esprit de corps and the motivation concerning a particular unit, in my personal opinion, should not be allowed to outweigh the esprit de corps which should be developed toward the service as a whole, or the command they are part of. It is all part of one system. It is not an either or proposition. Do you agree with that sir? Or am I wrong?

Mr. LAMBERT: I am just wondering, actually. I think perhaps those who have been in the army put a little more emphasis on this. Certainly this is my experience. I may be wrong.

Air Vice-Marshal SHARP: Of course; because in the army unit it is extremely important that at the unit level there be that esprit de corps, particularly in a fighting situation.

Mr. LAMBERT: It is a traditional development which is inculcated in the recruit, then the soldier, and as you go along with that particular unit there is a greater identification with that particular unit.

Air Vice-Marshal SHARP: We intend, in the training we give these people, besides giving them their job training and technical training, to motivate them towards development or esprit de corps, if you like—towards, first of all, the environment they are going into, and then the occupation within that environment. We will attempt to do this. We recognize this as one of our responsibilities. We cannot give General Allard a man who is not motivated toward mobile command. He is bigger than I am, for one thing!

Mr. LAMBERT: My last question is: How much weight is given to a man's choice of the particular branch in which he wishes to serve? A man comes to you at a recruiting centre and says, "I want to be an airman." Somebody looks

at him and says, "No, you will go into the army side or the navy side." How much weight is given to that?

Air Vice-Marshal SHARP: I do not like to dodge the question, but recruiting is not my responsibility. I would say in general, however, that a great deal of weight is given to that, but obviously if there are requirements in one environment, or in one trade, and this particular individual clearly has the aptitude for that and he wants to go into another trade or environment where the requirement is less and also for which his aptitude is less, it seems sensible to me to try and guide him into the one which counts.

Mr. LAMBERT: Yes, guiding I will accept; but is it not simply an indication of "It is the army for you," or "The air component for you."

Air Vice-Marshal SHARP: I think that to force to the extent that you are suggesting would be a very foolish thing for us to do, because to get a man in an environment, or in a job in which he is not happy is an unfortunate situation for him and it is not a satisfactory situation for us, because he does not produce. Therefore, force in that sense is not right. I would say personally I would be against doing that. However, recruiting units are not my responsibility.

Mr. MACLEAN (*Queens*): I have a brief supplementary. Has study been given to the analysis of the various trades in the services to determine what the opportunity for a permanent career is in the services in each trade relative to another trade? It would seem to me that, rightly or wrongly, many trades are looked upon as dead ends. You maybe get to be a corporal and beyond that you have not much hope. Putting it in very general terms, I do not imagine there are too many officers of field rank who started out as cooks, for example. Is this—

Air Vice-Marshal SHARP: We are all good cooks.

Mr. MACLEAN (*Queens*): That may be, but you did not start in that trade. Is this a problem, and what is being done about it?

Air Vice-Marshal SHARP: Again I do not want to duck out from under this, but it is not my responsibility. Yes, it is a problem, and you know how we have tried to handle it in the past. We have tried to associate trades and groups of trades so that when a man came to a dead end it would not be too difficult for him to transfer to a like trade which progressed further. Obviously, CFHQ, in setting up their new trade structures, are attempting to do this and to overcome the very problem that you mention. The extent to which it will be suitable I do not know.

Mr. ROCK: On the matter of the integration of the communications systems of the three services, are you training them all in the same manner now?

Air Vice-Marshal SHARP: We are not doing this yet.

Mr. ROCK: Is this your intention? I am concerned about the deciphering and coding and so on. Will there be integration whereby you will have one code for the three services, and one deciphering system and any other type of mental code?

Air Vice-Marshal SHARP: I do not know, sir, whether we will come out with one type of code or not, but in the training of people in the communications field we will integrate the training to the extent that the requirement in the different phases of communications and the different environments are common. But we will not force everybody to take the same training merely to effect integration. This does not make sense and there is no intention of doing it.

Mr. CARTER: Now that you are developing this brand new program and as your studies are going on, to what extent are you taking into consideration the possibility that certain trades will disappear, say, in five years' time or ten years' time.

Air Vice-Marshal SHARP: This is one of the items on our graph.

Mr. CARTER: Yes, I saw that.

Mr. LANIEL: If I understand correctly, in your DINT program the trade standards are given to you by, or through, CFHQ. Do you have anything to do with the establishment of these standards, being the ones which will more or less lay down the program and transmit the knowledge to others.

Air Vice-Marshal SHARP: Yes, sir; we will have an influence on those standards through our validation program.

We will go out and check to see if our graduates are performing the jobs which they are supposed to perform, and if we find that they are not the first thing we will do is to check to see if anything is wrong with our method of imparting the knowledge.

Another check which would have to be made would be to see if the standard itself is right or wrong.

We will feed this information into the proper organization at CFHQ so that they can take that action. We will have an influence on this, yes.

Mr. LANIEL: What if the officer in charge of mobile command does not approve of what you say, actually?

Air Vice-Marshal SHARP: This is where the officer in charge of mobile command and myself will have to get on and agree, and if we do not I think one of us would be fired.

Mr. LANIEL: When you spoke of a ten-year planning program did you mean an actual program taking into account the evolution of knowledge or technology, or is it a matter of a program for building and getting instructors ready, and all that?

Mr. SHARP: No. We want to be able to see as far as possible into the future, concerning the nature of the jobs, or of the roles, I suppose, that the services are going to be involved in and the equipment they are going to use. A ten-year program—I do not know if it is attainable—is something we are aiming at. Certainly a five-year program is attainable, because it takes quite a while to buy, design and introduce equipment. We have a system now where we are fed in at the earliest stages of planning, so that we are warned about what is coming up, and this is working pretty well.

The CHAIRMAN: If that completes the questioning, I know, Air Vice-Marshal Sharp, that all the members of the committee would like to thank you

and your team for the very informative briefing we have had this morning. I know also that we all wish you every success in your monumental task. I hope that we will be able to come down and see you in Winnipeg later on this year and see at first hand what is going on.

That concludes our meeting for this morning. Our next meeting is at 8.30, the main door, Centre Block, on Tuesday morning, for a visit to mobile command. Thank you very much.

The committee adjourned.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

TUESDAY, JUNE 21, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

Lieutenant General J. V. Allard, Commander, Mobile Command; Major General R. Rowley, Deputy Commander, Operations; and Staff Officers Air Commodore W. Carr and Brigadier M. Dare.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,
Mr. Carter,
Mr. Deachman,
Mr. Dubé,
Mr. Éthier,
Mr. Fane,
Mr. Foy,
Mr. Grills,

Mr. Harkness,
Mr. Hopkins,
Mr. Langlois
 (*Chicoutimi*),
Mr. Langlois
 (*Mégantic*),
Mr. Laniel,
Mr. Lessard,

Mr. MacLean (*Queens*),
Mr. MacRae,
Mr. Matheson,
Mr. McNulty,
Mr. Rock,
Mr. Smith,
Mr. Stefanson,
Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, June 21, 1966

(14)

The Standing Committee on National Defence assembled in front of the Parliament Buildings, Ottawa, at 8.30 a.m. this day. The Chairman, Mr. David W. Groos, presided.

Members present: Messrs. Brewin, Carter, Foy, Grills, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), MacLean (*Queens*), Matheson and Rock (11).

In attendance: Honourable Léo Cadieux, Associate Minister of National Defence.

The committee proceeded by military bus to Uplands and departed by Cosmopolitan aircraft for Mobile Command Headquarters, Longueuil, Quebec.

On arrival at approximately 10.30 a.m., the members were met by Lieutenant General J. V. Allard, Commander, Mobile Command; Major General R. Rowley, Deputy Commander, Operations; and Air Vice Marshal F. S. Carpenter, Deputy Commander, Administration. Lieutenant General Allard conducted a briefing for the members of the Committee, in which he described the Commander's responsibilities and the headquarters organization; command channels and logistics support; functions of Bases; concept of overseas operations; scale of conflict and the scale of force applied; and finally, the spectrum of force employment with specific reference to the Mobile Command elements.

The briefing ended at approximately 11.20 a.m. Following a short pause in the proceedings, Lieutenant General Allard answered questions, assisted by Major General Rowley, Air Commodore Carr and Brigadier Dare. After the question period, members of the Committee were taken on a brief tour of the headquarters installations.

The Committee returned to the Parliament Buildings by the same aircraft and military bus, arriving at approximately 2.30 p.m. Lunch was served en route. The Committee adjourned until Thursday morning, June 23, 1966 at 9.30 a.m., when there will be a scheduled briefing by personnel from Maritime Command.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

TUESDAY, 21 June, 1966

Lieutenant General J. V. ALLARD (*Commander, Mobile Command*): I wish first of all to welcome you the newest command of the Canadian Armed Forces. Your visit here is a very welcome one and I can assure you that all ranks of mobile command appreciate the opportunity of showing this distinguished group of parliamentarians where mobile command is; what its mission is; how its headquarters is organized to function and how we are organizing in order to meet the new forms of warfare and any of the tasks the government may assign. In the hour available, I can only cover the highlights, but I shall talk about the role of mobile command, the organization of its headquarters, the present deployment of units and we will cover, in a brief dissertation, an analysis of the type of conflict in which we must be prepared to intervene. In this way, I hope to explain the reasons for the changes in our basic military structures and our needs for new equipment.

Since the first explosion of an atomic device and particularly since the day the Soviet achieved nuclear parity, all armed forces the world over have gone through a series of transformations. During that period, it became more and more apparent that mankind could not risk total destruction by the application of infinite force. For a few years, we believed, the balance of terror was the cheapest and most efficient way of remaining at peace. We in Canada, made a substantial contribution to the deterrent but experience soon showed that armed struggles were still continuing in a form short of a nuclear exchange. Canada, a middle power, had a further contribution to make to peace and it has been providing well trained troops and skillful officers to various troubled areas. The 1964 white paper on defence recognized the problem caused by the new role Canada had tacitly accepted. In the summer of the same year, the Canadian forces began carrying out a program of major reorganization which introduced better managerial methods, better co-ordinated budgets, a necessary reduction in overhead as well as an increased flexibility in support of our foreign policy. In this reappraisal, however, there was never any intention to reduce the operational effectiveness of the forces, quite the contrary. Since most of our forces were oriented towards the atomic deterrent and committed to completely different fields of activities, co-ordination was difficult and integration a necessity for Canada's relatively small military establishment heavily burdened with commitments and lacking flexibility. It was therefore necessary to improve the balance between our over-all cost of maintenance and procurement of new equipment and, at the same time, increase flexibility and responsiveness both in respect of plans and administration. The first phase of integration began in August 1964 and, in the summer of 1965, I was instructed to form Mobile Command as part of the new command structure.

This structure consists of six functional commands and some supporting agencies. Each one bringing under a single commander all the military resources intended for a given function. As commander of mobile command, my responsibilities are set out in the white paper which stated that Canada's most effective contribution would be with mobile forces which can be brought to bear quickly at any trouble spot.

Consequently, the formation of mobile command was and continues to be basic to the philosophy of Canada's new defence policy. As the largest of the new functional commands, its task is to train, exercise and maintain the land elements of the Canadian forces and its tactical air support to a state of combat readiness which enable it to be deployed in units of required size to meet Canadian commitments and undertakings anywhere in the world. These commitments range from aid to civil power and peacekeeping operations, to the task of reinforcing the European sector as a contribution to the deterrence of general war.

In formulating the concept of a mobile command, we started from the basic principle that forces in being where the only valid contribution we could make and, to be at the required state of readiness, combat units had to be freed of peacetime administration and accounting. As I will show, this was a major consideration in the organization of all elements of mobile command. To accomplish its role, the command is set up to permit a high state of unit readiness and efficiency. Consequently, the command and control procedure have been streamlined. The latest management procedures and techniques are in use or being considered and all this at the lowest possible ratio of administration to combat troops. The guiding principles that resulted from our studies were the need to remove any form of red tape by providing direct lines of communications with all the components and to achieve maximum decentralization within approved policy.

Our command headquarters and over-all structure reflect these principles and is made up of four components: the command group; the co-ordination staff; the functional staff; and the detachable portion of the headquarters staff.

The command and control group includes the commander, myself, the two deputy commanders, their personal staffs, the comptroller and the command secretary. One of the deputies, Major General Rowley, is charged specifically with operational readiness and the brigade commanders report through him. The other deputy, Air Vice Marshal Carpenter, is responsible for administration readiness and the base commanders report through him. I will come back to these two elements later.

Mobile command headquarters includes a co-ordinating group consisting of an operations staff and an administrative staff. The operations staff reports to the deputy commander for operations and is divided into two elements; one headed by a chief of staff for operations and training, Brigadier Dare, and the other headed by a chief of staff of force requirements and development, Air Commodore Carr. The administrative staff reports to the deputy for administration and is headed by a chief of staff for administration, Brigadier Lye.

The headquarters also includes a functional staff divided into the following cells: armour; artillery; infantry; field engineers; field communications; and

tactical aviation. In addition to these there are functional staffs with counterparts in Canadian Forces Headquarters, namely, medical, transport, supply, maintenance and military police. These operational support staffs are integrated for economy, in the administrative element of the co-ordinating staff. By the nature of their responsibilities as specialists, these functional staffs are largely corps oriented but, wherever possible, land and air trained officers are included. The arms chiefs in the functional staffs are experts required to keep abreast of weapons and equipment development and to determine the most efficient methods of fulfilling the functions of their respective branch of the service. They are required to test and evaluate trade standards for their areas of responsibility. Indeed, they are responsible to provide expertise in the following areas: training, organization, equipment requirements, personnel and combat development doctrine.

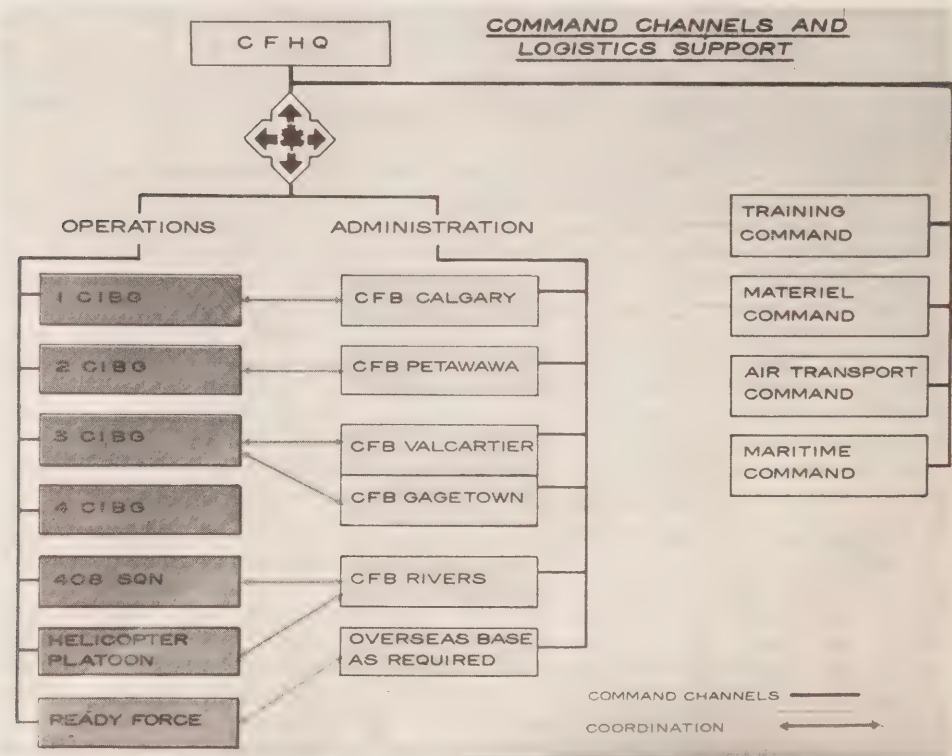
The fourth component of my headquarters is the detachable portion. We must have the capability of quickly deploying a headquarters that can command a task force of up to division size and we developed a "double hatting" system. In addition to their normal responsibilities in mobile command headquarters, several elements of the staff are also responsible to staff subordinate headquarters for either operations or field training. Clearly, this double hatting system is economical because it replaces a divisional headquarters which would have to be kept in readiness but which would not be productive for a good part of the year. In addition to the commander and the staff officers required to form task force headquarters of various sizes, the communications regiment is designed to provide the basic framework and the administrative staff of these headquarters. This was tried by my divisional headquarters, British Army in Germany, and found more efficient and more economical.

At present the planning figure for the strength of my headquarters is approximately 450 all ranks. Although it is difficult to calculate the exact size of the staff which carried out the tasks of my headquarters before integration, one of our studies shows that headquarters mobile command, with less than 500 officers and men, replaces approximately 1500 persons. Headquarters mobile command is now fully integrated and the percentage of land to air trained personnel employed is based on individual ability and quality of product and not on the colour of the uniform. While many positions must be filled by experts in given specialties, many can be filled equally well by personnel from any service. Only 2 per cent of the staff are civilians. This figure was kept purposely small and for good reason. As I have said, most of the personnel of the headquarters must be ready to take to the field quickly as part of a task force and we must also supply officers and men for rotation to Europe and the Middle East. We cannot be tied to personnel that cannot be moved at short notice. The majority of our officers and men, including the clerical staff, must be military, army trained or air trained, navy, it does not matter.

The operational forces. As I have said earlier, my operational staff deals directly with operational forces. These forces are shown in red on the screen. They are deployed across Canada and overseas. In Canada they are located on five mobile command bases shown in green on the screen, Calgary, Petawawa, Valcartier, Gagetown and Rivers, Manitoba. Some units are presently located on bases administered by other commands who are responsible to maintain the

same state of administrative readiness as our own. They are commanded by their respective brigade headquarters and the R.C.A.F. component is under the control of the commander mobile command base at Rivers, Manitoba. These forces are at the moment designed for a multitude of roles and I will describe later the modification now under study to fit them for the broad spectrum of conflict we must be prepared for.

The administrative component. As the screen shows

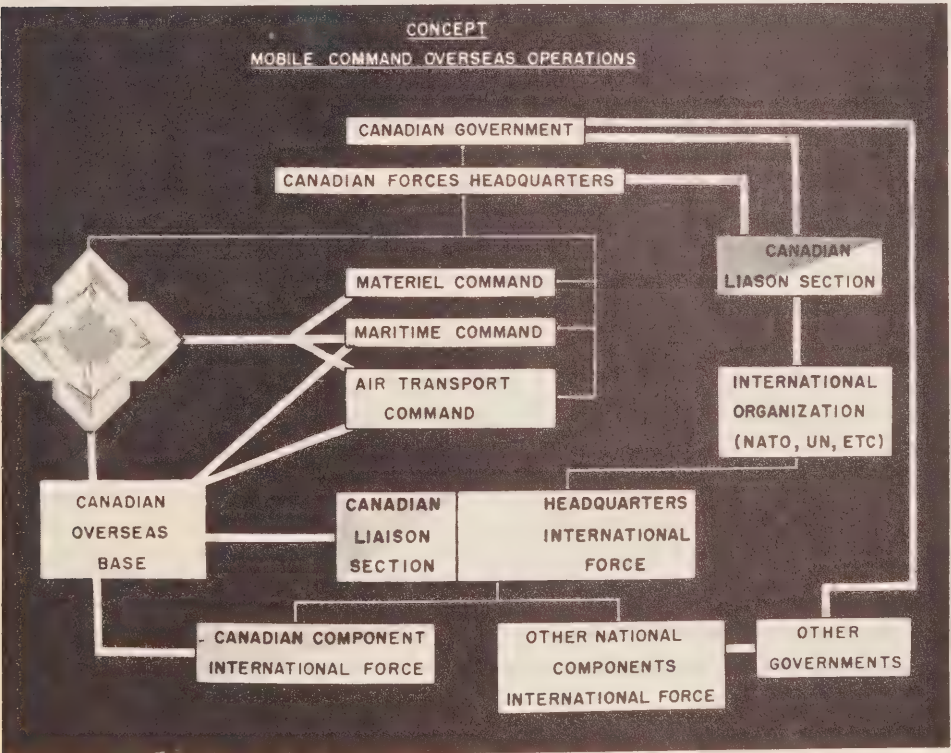


the administrative staff deals directly with the static bases and the deputy for administration is responsible for the administrative readiness of all field troops. As I mentioned earlier, we consider it essential to free field units from the burden of peacetime administration and accounting. Consequently we are centralizing the peacetime administrative and housekeeping functions on the base who will provide all essential support services under a single authority designated as base commander. This officer has complete responsibility for providing or arranging support beyond "first line". Mobile command headquarters will set policy limits and within these limits, the base commander is given authority to carry out his functions directly with external agencies which provide logistics support. The units lodged on a base have no responsibility for the command or the functioning of the base. Neither do they have any dealings directly with CFHQ or other external agencies. The base is entirely responsible for their administrative and logistics support.

We group the functions of a base into three main categories. The provision of personnel and administrative services such as messing, quartering, pay, medical, dental, public and nonpublic accounting and the like. Second, the provision and maintenance of operational support and/or training facilities such as firing ranges, flying control and approach aid and runways. Third, the logistic support depends on the nature of the units assigned to the base. Generally, this support includes materiel and materiel maintenance, minor construction, building maintenance, motor transport, fixed communications, married quarters and, in some instances, second line maintenance.

The overseas deployment. So much for mobile command bases and units in Canada. But what about the overseas forces? I must first emphasize the difference between the two main elements of command; operational control and administrative control. To exercise this administrative control, our regrouping will include a mobile base that can be deployed with our troops abroad. The government of Canada has never accepted to place Canadian forces under complete foreign or international administrative control, even when the foreign or international organization was commanded by a Canadian. We therefore assumed that Canadian authorities would continue to exercise the administrative control of Canadian troops abroad although operational control will, in all probability, and almost always has, be delegated to an international headquarters. My headquarters will be the means of exercising Canadian control of mobile command forces overseas.

The screen shows



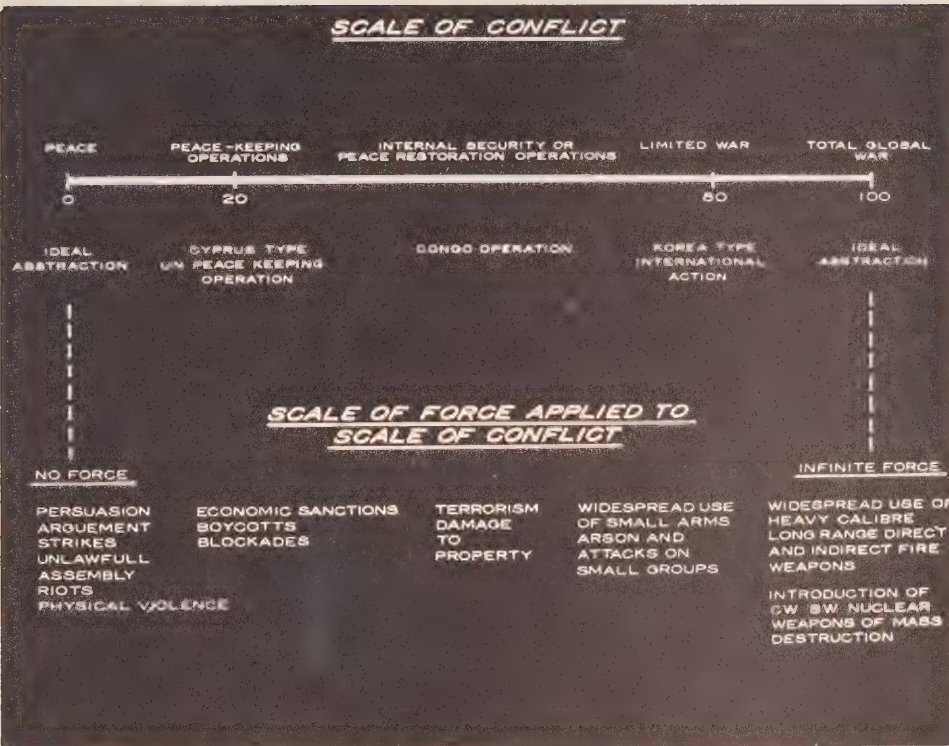
how the control of the Canadian component of an international force engaged in operations abroad is exercised. You see the solid line indicating command; from the government to CFHQ, to mobile command and the supporting commands and from the international organization to the headquarters of the international force to the troops.

Our government gives direction to CFHQ and liaises with other governments and, through a Canadian section, with the international body, determines requirements. At the same time, CFHQ supervises and co-ordinates the action of all commands and mobile command, in this case, who is responsible for the deployment, will maintain close liaison with materiel command, who have an important interest. Air transport command has transportation responsibilities between Canada and our bases abroad and maritime command may have a transport function or who may be directly involved in the operation. Administration and supply for Canadian servicemen from the port of entry to the operational zone is co-ordinated by a base administered by us. Resupply, Administration and supply for Canadian servicemen from the port of entry to the operational zone is co-ordinated by a base administered by us. Resupply, reinforcement and other such functions are carried out through the responsible command, that is, by mobile command.

So much for the command headquarters, operational troops, bases and deployment overseas. Now let me turn to the forces themselves, to review in broad terms the experience of the last 15 years. In 1950 Canada committed forces to two significant operational tasks; one brigade group to Korea and one brigade group and the air division to NATO. Subsequently, other commitments were accepted, Suez, the Congo, Cyprus and so on. These commitments were all different and required different types of troops. They were organized in a hurry and were not carried out in the most orderly or military fashion. The troops sent were generally well trained but were not really prepared for the kind of task they were given. They did well, however. As a result of the white paper, where the priority is given to "peacekeeping troops" we analyzed the troop requirement and concluded that we needed to modernize our ground troops committed to NATO; that we had to give credibility to our complete NATO commitment which calls for the despatch of the balance of a division by "M" day plus shipping time. Forces organized for NATO were not suited for peacekeeping or peace restoration. There was a requirement for administrative and technically trained troops, and that these troops had to be made up in a variety of sizes. A reappraisal is required before we organize peacekeeping troops for such a broad variety of commitments.

As a result, we made a complete analysis of the conditions which may occur on any of these commitments and I shall now review the results of our studies.

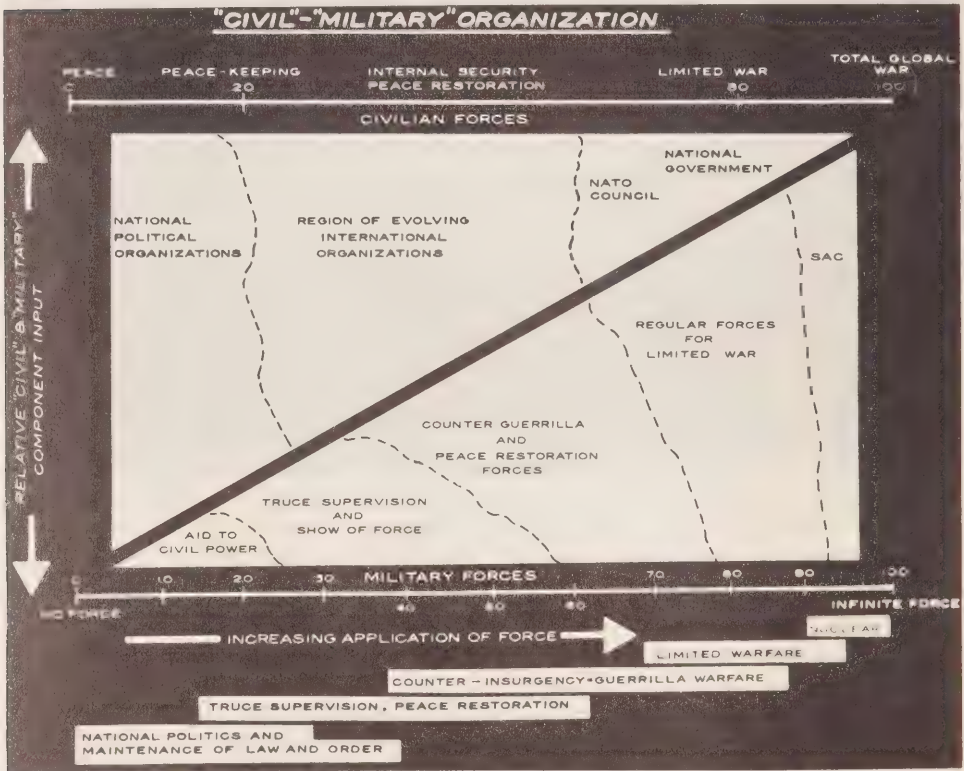
First, the types of conflicts. The implications of the types of conflicts that had to be considered by mobile command led us to the view that implicit in the white paper on defence is a scale of conflict as illustrated on the screen.



The scale ranges from peacekeeping to global war, both of which may be considered as abstractions for our purposes. You can see that forces are committed primarily to operations between peacekeeping and limited war from something lower than 20 to something over 80 on this scale of conflict. Considering that the purpose of conflict is to impose the required degree of force, then we assume that the scale of conflict is equivalent to a scale of application of force against individuals or groups. Force is used here in its broadest sense, meaning that it is applied directly or indirectly to cause psychological or physiological pressure. The screen now shows various methods of applying force to an increasing extent as one ascends the scale of conflict.

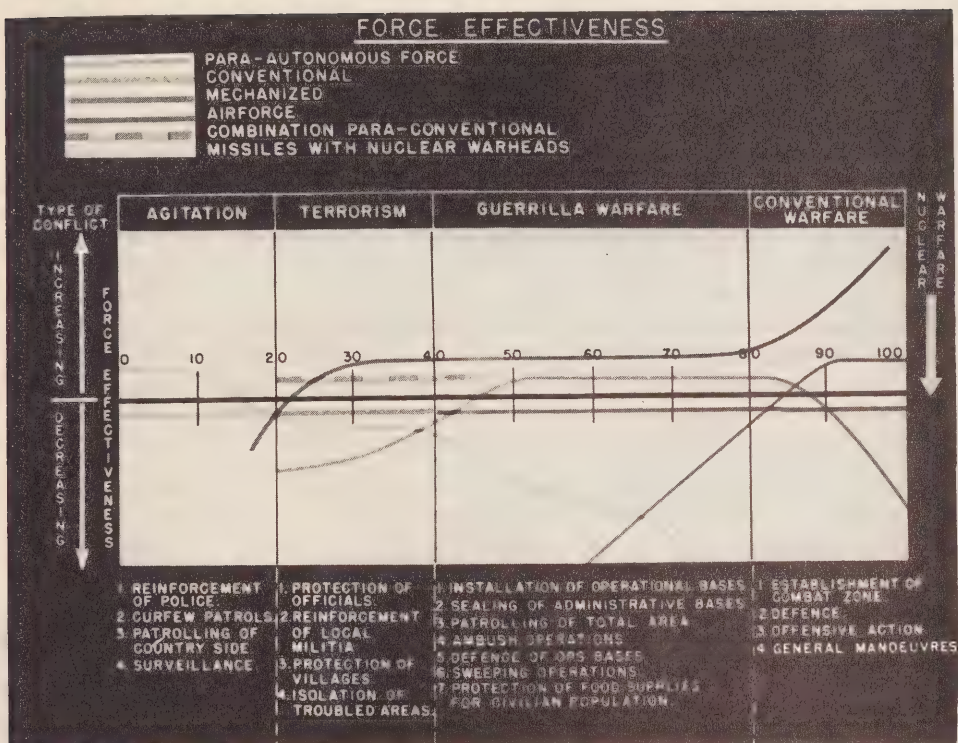
The theoretical limits are “no force” to “infinite force” or peace and nuclear war. Ascending the scale from agitation through strikes, riots, economic sanctions, terrorism, widespread use of small arms to the use of long range weapons and weapons of mass destruction. From this examination, we were able to

define a number of characteristics of the spectrum; ascending the scale, organizations for applying force become large and more rigid because of the requirement to apply closely co-ordinated and scheduled action. Secondly, descending the scale, the methods of applying force became more flexible and mixed with extraneous activities. Third, between the two extremes, the activities are unpredictable and the application of force takes the form of defensive warfare around vulnerable points and some form of strategic deployment forming, for example, a "quadrilage" system.



This dispersal complicates the combat support system which now requires a mobility beyond the capability of the heavy equipment earmarked for the upper end of the scale.

Since our present forces were mostly designed for the upper end of the scale, it is interesting to note some of their deficiencies if employed in another part of the spectrum. For example, forces organized for the upper end of the scale are not particularly effective in the lower portion of the scale.



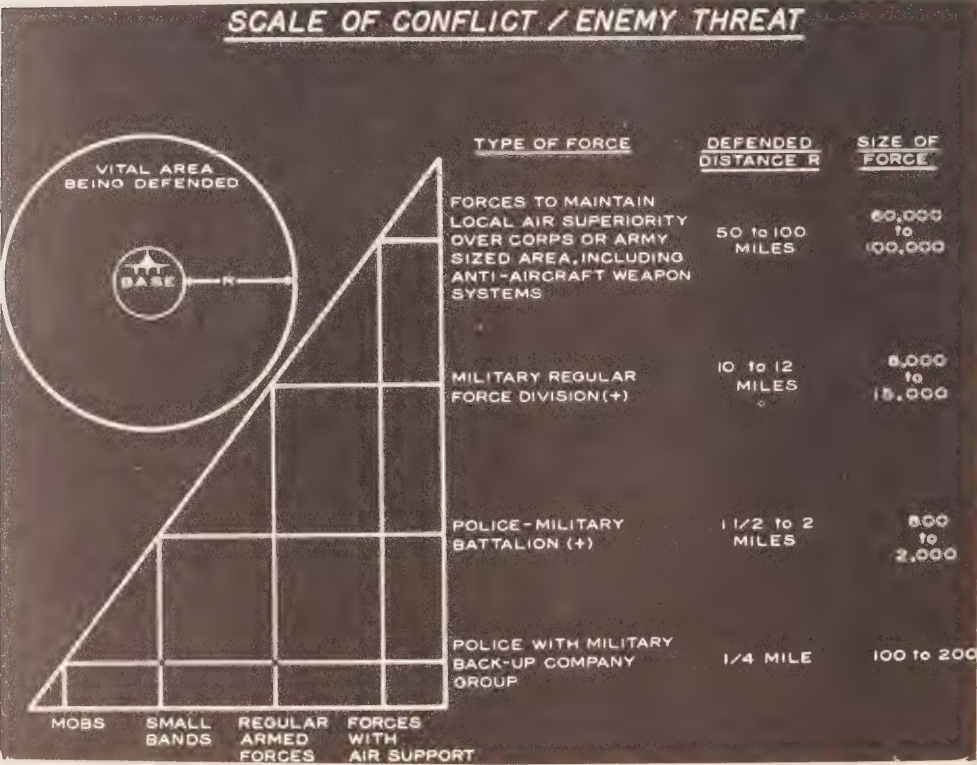
This chart shows a theoretical force effectiveness, greater towards the top of the screen and lesser towards the bottom against various types of conflict along the intensity of conflict scale described earlier. You will note the green, representing paratroops and light forces, while very effective against the agitation and terrorist phase falls off rapidly in the guerrilla phase. The red, representing conventional forces, increases in effectiveness in the guerrilla phase but drops rapidly in the conventional. You should also note the effectiveness of the combination of green and red to deal with terrorism. This same combination applies at the upper or extreme end of the scale, not shown on this chart. The yellow or mechanized forces are ineffective in the guerrilla phase but are essential in the conventional phase. Blue, or air forces of the conventional type, are also most effective beginning at the centre portion of the scale and into the upper end, provided they are used in the role for which they were designed.

We know, of course, that armed forces cannot operate by themselves in situations at the low end of the scale. The structures which can bring such conflicts to an end are provided by large civilian organizations which may or may not require military assistance. It must be clearly understood that, in the lower half of the scale, the military forces have the task of supporting the

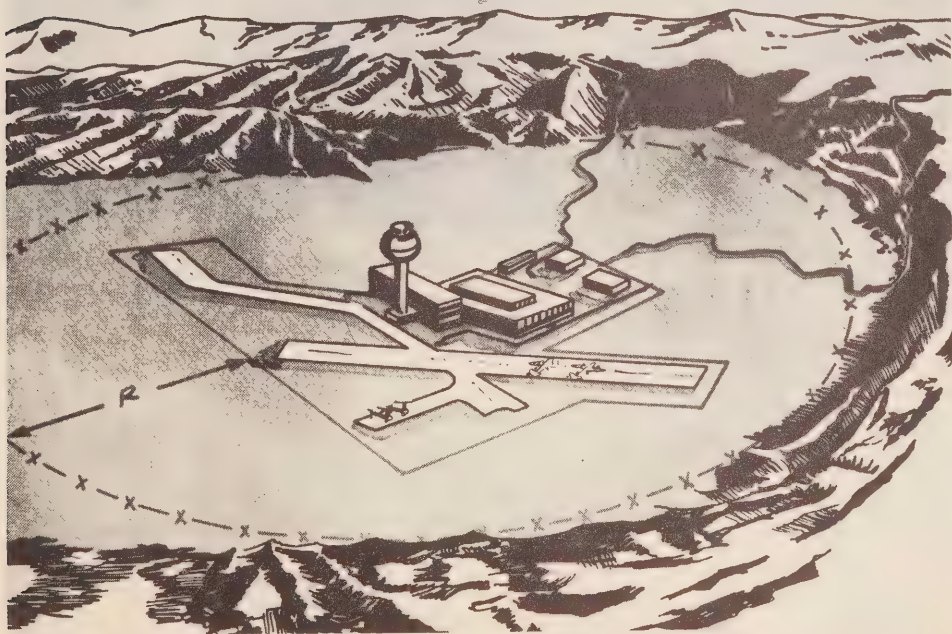
civilian organization or agency and it is therefore essential that the force be tailored with this in mind.

The screen now shows that as the intensity of conflict increases, the effectiveness of the civilian component decreases while the military aspect of the operation becomes increasingly important. Conversely, the importance of the civilian component increases as the conflict progresses towards the lower end of the scale. As you know, an international organization which combines such civilian and military elements does not exist. Nonetheless, we are responsible for organizing the Canadian military contribution to such operations and we must relate it to the civilian agencies with which we shall co-ordinate our efforts. In all our planning, we are assuming that the military and civil elements will be kept separate under an over-all civil control. Nonetheless, planning, execution and supervision of activities will certainly be carried out by integrated organizations in which there will be military, police and civilian components.

Considering the military component alone, I shall now show how the number of forces involved, the area covered, and the type of forces could vary as a conflict theoretically intensifies from mob violence to the action of regular armed forces.

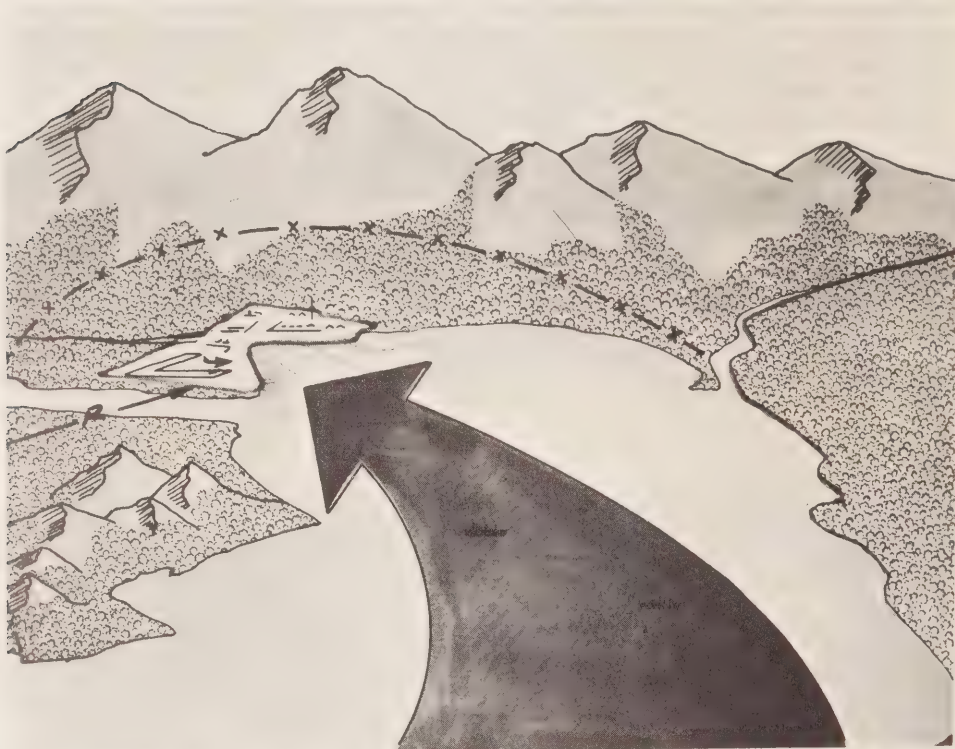


You see on the screen that the number of military and police type forces required would increase one hundredfold in the examples selected. Keeping in mind Canada's limited sized forces, this is a governing factor in any projected operation. In addition to the size of the forces required, you see along the vertical scale the type of forces required and the approximate size of the area they could defend. Such forces can be related to the types of opponent expected as shown along the base of the triangle. In the top left corner, the screen shows what we mean by "area defended". In any future peacekeeping or peace restoration operation, we must ensure the most judicious application of our forces is made. Indeed, the opponent normally has the capability of intensifying or scaling up activities with very little effort at the lower end of the scale. Just as nuclear weapons deter all-out nuclear war on the upper end of the scale, so too, at the lower end of the scale, will the application of a preponderance of force deter the escalation from riots and strike activities into serious acts of violence and terrorism. The deployment of strong, highly organized, multi-purpose forces to an area of trouble and unrest does not mean that the force will be used; it merely means that a deterrence to more serious types of conflict will have been achieved. Though forces scale up very rapidly, the exact number and composition involved in any particular situation will vary.

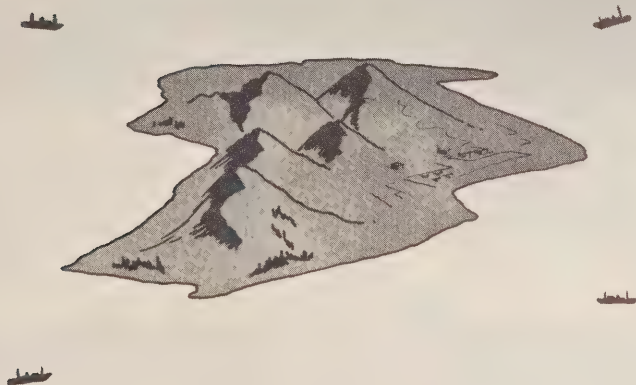


For example, the screen shows a force deployed inland. It can be seen that ground force must protect a full circumference.

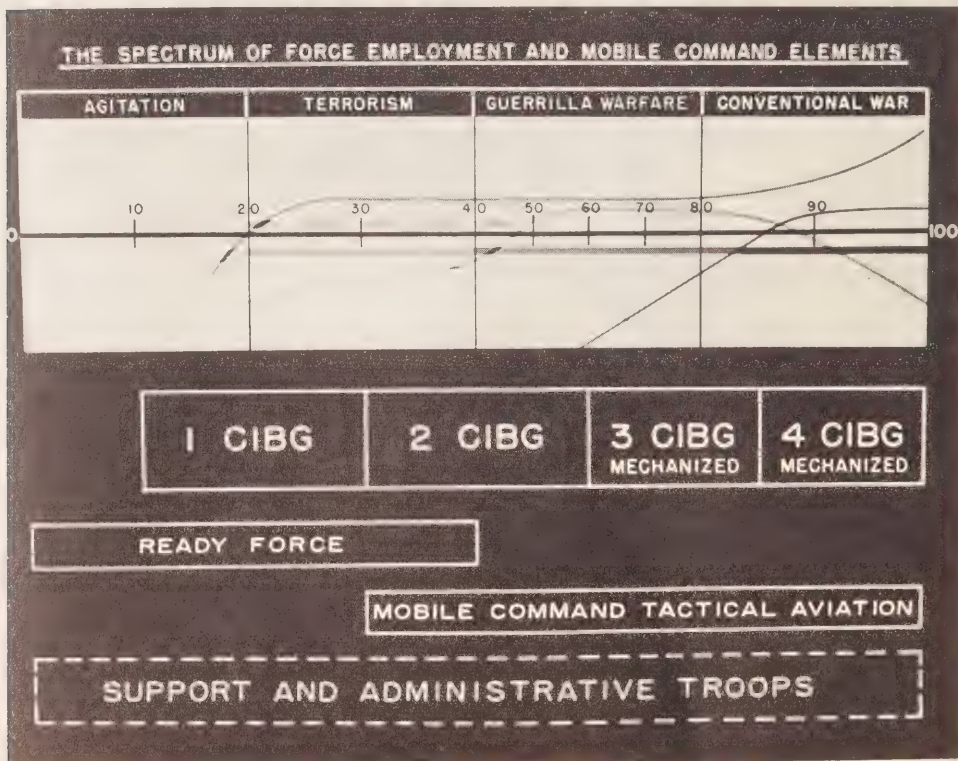
The screen now shows a difference force deployed in a coastal area. Only half the ground forces are required, but now both ground and naval forces are needed to ensure its security.



If the base is an island, however, even more naval forces are needed, but the number of land forces is reduced to practically nothing. It can be seen that the problems facing mobile command in the implementation of its role are varied and complex. It should also be apparent, however, that they are being tackled in a reasonable and realistic manner, keeping in mind the best interests of Canada.



Having seen the degree of effectiveness of various types of forces in a variety of possible situations, let us now examine the potential effectiveness of mobile command formations and units in such situations. You now see the scale near the top of the screen with mobile command forces represented below it. The ready force is particularly versatile and suitable for disturbances at the lower end of the scale. Next along the scale, the two infantry brigades, which are air portable, can be despatched quickly for anti-guerilla operations. The two mechanized brigades are particularly effective in conventional warfare, near the high end of the scale. As the intensity of the conflict increases, military aviation becomes increasingly effective until its role merges with that of ICBMs in total war. You see also that support and administrative troops contribute to all types of military operations.



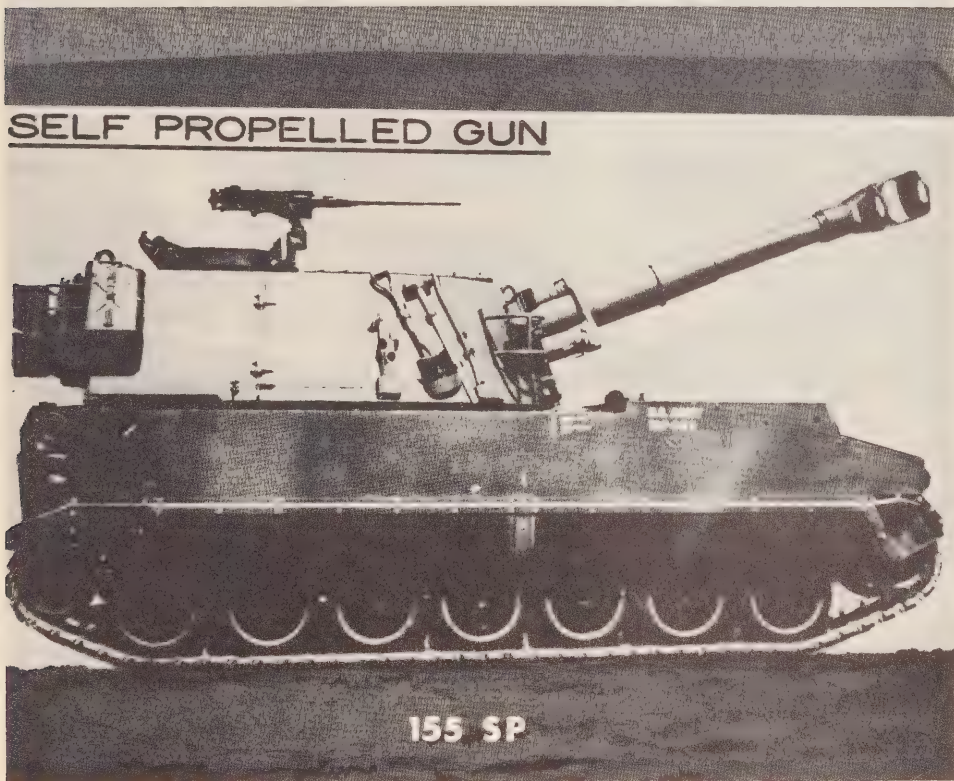
This all helps to explain why mobile command needs equipment such as armoured wheeled and tracked personnel carriers like the M113 shown on the screen.



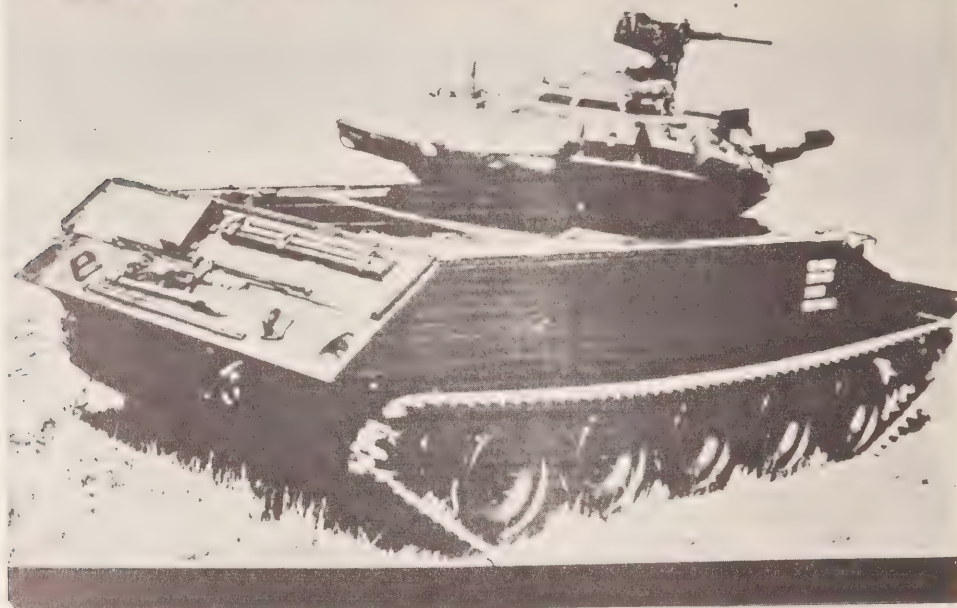
Oversnow and bog crossing vehicles such as the dyna-track.



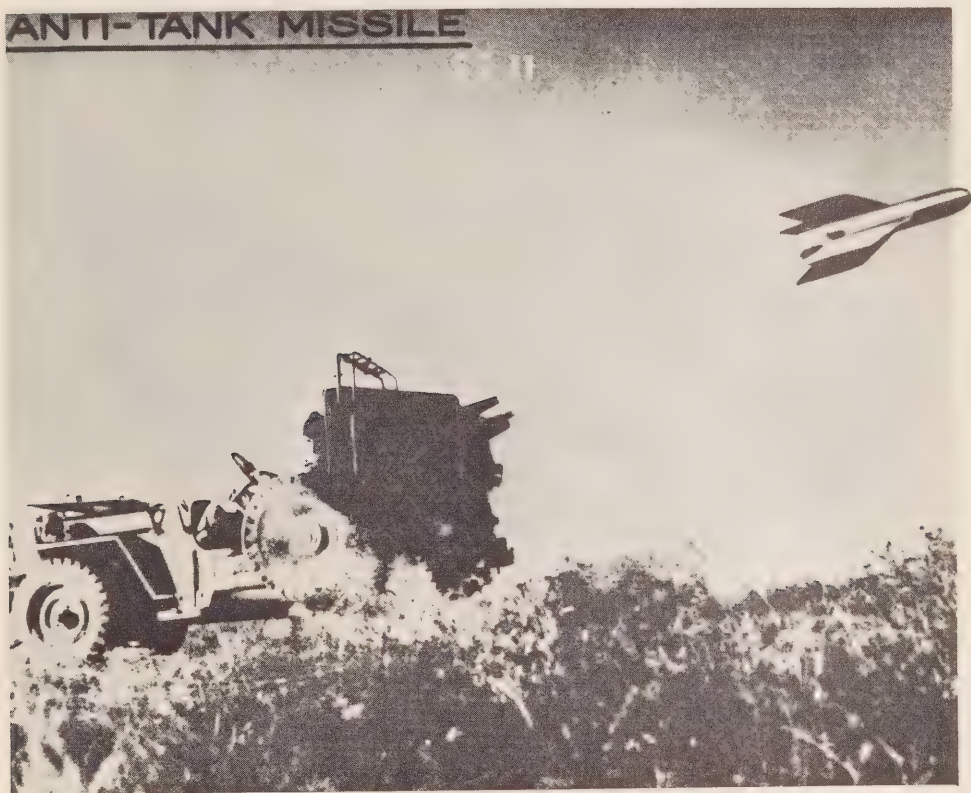
The dyna-track is made here by Canadair and was tested in Norway last winter. Self-propelled guns like the 155. The 155 millimetre mortar gun is designed to keep up with the mechanized formation. Mortars, the 81 millimetre mortar. Tanks. The one shown on the screen is an air portable tank.



GENERAL SHERIDAN TANK

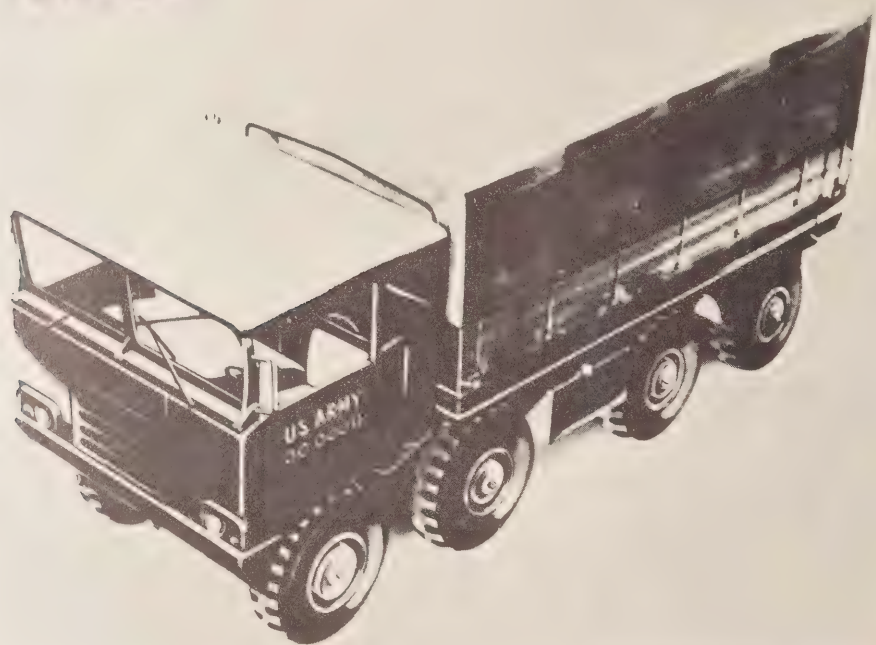


Anti-tank weapons. This is the s.s.11 used now by the third Royal 22nd at Valcartier.



Trucks, wheel transport must keep up with tracks. This truck is one of the best ever designed.

XM656



Helicopters as well as fighter and transport aircraft. Flexibility is partly the result of a frame of mind and of an appropriate military organization. But it also required appropriate equipment scales. The land elements of mobile command need the support of aviation not only to deploy it to the theatre but also for reconnaissance and the delivery of conventional weapons. Indeed, the more lightly equipped the ground force, the greater the need for this type of support.

Mobile command forces will rely on air transport command for its strategic transport and on maritime command for its sea transport. For its tactical mobility, mobile command will rely on its voyageur helicopter—



and will soon acquire the Iroquois helicopter—



and the DeHavilland Buffalo short landing and take off military transport.



Most mobile command combat troops will be air transportable and a battalion will be an airborne group.

For the time being, all our air units will remain under the operational control of mobile command headquarters. Tactical fighter squadrons will have the task of supporting ground forces and the aircraft selected for this role is the CF5.



This is a fast, very manoeuvrable and yet stable aircraft capable of operating from rough airfields and requiring only a minimum of distance for takeoff and landing. This aircraft is easily maintained in the field with minimum of technicians and ground support equipment. It is being used in Viet Nam by the United States air force and the combat evaluation data received shows that it is fully living up to expectations. It possesses a first class reconnaissance capability and is second to none for the launching of weapons in the close air support role.

Reconnaissance will be one of the most important roles in which the CF5 will be used. Of all the sources of intelligence, reconnaissance is recognized as one of the most valuable and reliable. Intelligence may be gathered in several forms and we are developing more; visual, photographic, radar, infra-red and

electronic. The CF5 is a high performance aircraft eminently suited for this type of work and it will be equipped with the right type of photographic and electronic equipment.

Although the whole trend of the development of air weapons has been to increase their lethal efficiency, we are concentrating our attention on the development and tactical use of weapons which, with the minimum loss of life and damage to property, could bring sufficient pressure to bear against a nation to cause it to give way on the limited points at issue. This is our basic philosophy.

I hope, gentlemen, that I have been able to show that the creation of mobile command has led to increased flexibility and efficiency in the use of our military resources. You have seen that our role is clearly defined and that the organization of the command is tailored for it. You have seen also that although we cannot foresee the precise nature of our future commitments, we have nonetheless a clear appreciation of the possibilities and we are preparing for the most likely eventualities. You have seen also that we have followed a new command, control and management concept which has permitted a two-thirds reduction in the headquarters staff. The precise degree of formal authority which is vested in any level of command is, in most instances, reflected in the Queen's regulations and other similar orders. Those which were not clearly defined have been formulated according to the general policy that commanders at all levels are delegated authority commensurate with their responsibilities. It should be emphasized that at each level there is a designated commander who is responsible and accountable for the effectiveness and efficient discharge of his assigned mission. This responsibility is not delegated.

We believe that we have built an organization which will be ideally suited for its task of directing Canada's integrated tactical forces. The organization of the command headquarters, the units and bases permit a high degree of operational and administrative readiness and flexibility in our combat units. Mobile command servicemen on land, on sea and in the air, can look forward to an exciting and challenging career. We are all proud of our service and our traditions but we do not intend to be held back by a narrow traditionalism; whatever the colour of our uniform we are all part of the same team. Thank you, gentlemen.

The CHAIRMAN: I think that we might have a two or three minute break here and then in view of the arrangements I have asked General Allard if he would mind conducting the question period. Are you available for that?

Lt. Gen. ALLARD: I am available to the parliamentarians of Canada all day.

The CHAIRMAN: Good.

RECESS

AFTER RECESS

Lt. Gen. ALLARD: At the request of some members, we will arrange a tour of our headquarters. Now somebody asked me if we were perhaps looking across the road here to St. Hubert. I would like to tell you that we are perfectly happy here. It is a good spot; unfortunately, it has a few road problems, as you probably noticed, but it is a wonderful headquarters. It is well organized. It is very functional and we can sit here or stand as long as you want.

We have not looked at but we have contacted St. Hubert because we work very closely with them. When I came here I changed these buildings which used to belong to the army. They were taken out of the army list and I put them under the base St. Hubert so we are here administered by the headquarters base St. Hubert. We are, therefore, in close contact and we know approximately how we would fit into the new headquarters if we had to go, or whenever we are told to go, and that we would be very happy there, too.

But what I want to impress upon you is that this building here has been organized specifically for our function and, after the briefing, if you wish, we can divide a number of officers—there is General Rowley, Air Vice Marshal Carpenter, Brigadier Dare, Air Commodore Carr and Brigadier Lye and a number of people, Group Captain Pudsey and Group Captain Émond—who can take you around the headquarters. You have seen this room; I would like you to go through the projection room, which is behind here, the ops room which is behind also our crypto and teletype communications system, our filing system and then go generally around the offices. You might want to go and see one of the outside buildings; we have two buildings outside. I would like also, if you have a chance, to pass through the mess, where we will offer you an aperitif before you get onto the airplane. So please feel at home. It is a pleasant building. We are very happy. Now, I am ready to answer questions.

Mr. Rock: General, when do you expect the co-ordination of mobile command to be completed? You have just started and are doing a good job but when do you expect the complete co-ordination of mobile command to be completed?

Lt. Gen. ALLARD: First of all, our motto at the present time is ready and flexible, so I can now say that we are organized at the moment. But not exactly in the configuration we want. We had difficulties in the past in that units kept on changing roles, from one role to the other, and I had one unit that changed roles three times in a year. We are trying to stop this kind of convulsion and, by the new arrangements, we will stabilize the organization and make it better for the troops. This is very difficult at the moment.

You ask me how long it would take. In fact it is not a very difficult task but there are some major decisions to take. These decisions are my own and I will take them as soon as I can. When I am sure that we are in the right form. At the moment we are still studying. I would like to suggest to you that we will make these decisions before the end of this year and, one year later, we will still be short of some of the equipment, of course, because some of the equipment is something we have never before dreamt about. We will be short of some equipment but we will be in the right configuration.

Mr. Rock: One more question, General. That is, I believe Air Transport Command will have the most vital role with your command and I would like to know what co-ordination there is now and how soon do you expect this to be completed?

Lt. Gen. ALLARD: The co-ordination was arranged within 24 hours the day after I took over. It was easy, simple and we have already planned one exercise and it ran like this. There were no problems at all.

We have direct communications with transport command. We know what kind of aircraft they have. They do the planning for the air movement. We prepare the troops for them and we carry it out jointly. They are responsible to deliver us. We are responsible to bring the troops to them wherever the base is. At the other end it is our responsibility. We have perfectly clearly defined lines of responsibilities and no problems have occurred, that I know of.

Mr. Foy: General, do you establish the time required by mobile command for let us say in order to prepare movement of troops to almost any part of the world. How much time is involved from the time you get the order until—

Lt. Gen. ALLARD: It depends largely on the size and type of forces. In our present configuration with some prior training we deployed the Black Watch in Norway in 7 days. That is lock, stock and barrel. Now while we have a limited quantity of air transport, of course, it will take longer. If we had enough transport to carry a brigade we would carry it in the same time. If I picked up for example, one of our ready force, I could put it on in 48 hours, depending on the quantity of transport available, which would determine, of course, the time we took to get there. Our aim is much better than this and we will be in that configuration in a reasonable time. Our aim is to have a completely air portable unit with all its equipment, delivered as quickly as 48 hours.

Mr. Foy: Is there any place in your requirement for larger aircraft for this?

Lt. Gen. ALLARD: The difficulty, with larger aircraft is that while we can think about the 700 passenger aircraft that are now becoming available the trouble is this; what do you do with it when you are not in operation? We have to work on the compromise of the versatility of the usage of the transport between operations.

I could say give me 15 C5s and I will lift the whole shooting match across to Europe in no time at all. But the point is what do you do with these in the meantime? So in our studies we have looked at the C130 which is a very good airplane. We have looked at the C141, which is twice the size, and we have looked at the C5. At the moment we are studying the best use we could make of these planes in order to move as many troops as possible in the shortest possible time but economy comes into this and these are the plans we are now discussing and considering very carefully.

Mr. Foy: In an emergency, though, the larger aircraft would be almost worth it.

Lt. Gen. ALLARD: We have a C130 at the moment which is our largest but we also have a fleet of Yukons. Unfortunately the Yukon is not suitable to carry equipment. We could also use TCA. If there is an emergency we can divert the

whole of the C130 fleet to carrying equipment and use the Yykons entirely for the purpose of carrying the men. We can also use TCA if we need to.

At the moment, the answer to your question is that I am not able to give you a specific answer except to relate the experience we have had, which was to deliver the Black Watch, complete with all its equipment, to Norway in 7 days.

Mr. LAMBERT: A supplementary to that question. The type of aircraft is conditional on the potential type of operation. There is no point in saying you are going to use a big C5 for a destination where you either could not land it or could only land it 100 to 200 miles from where you need the men. What do you do with your men when you get them on the ground?

Lt. Gen. ALLARD: In fact, the landing characteristics of the three airplanes I mentioned are almost the same. Air Commodore Carr is my expert here. Would you answer that question?

Air Commodore W. K. CARR: Well I cannot add anything to what you said sir. Essentially, the characteristics are the same. The bigger the airplane, in the past, the bigger the runway requirements and so on and so forth. These are essentially a soft landing type aircraft. All three of them.

Mr. CARTER: Are you not limited by the facilities at the other end, where the war is, or where you are wanted?

Lt. Gen. ALLARD: No, not really. The system used by air transport command is to first of all, bring in whatever ground equipment they need at the other end. If we have to fight for an airbase, for example, well first make it secure, this is where our para-regiment comes in. We will make it secure, the equipment will be landed and the balance of the forces will come. This is merely a question of adjustment in planning. We see no difficulties whatever in handling this.

Major General R. ROWLEY: We could land on a grass strip.

Lt. Gen. ALLARD: We can land in a field. All of these airplanes have tremendous characteristics. It is hard to believe how good they are.

Mr. CARTER: Have we acquired some of these CF5s they are trying out in Viet Nam?

Lt. Gen. ALLARD: Yes.

Mr. CARTER: Are we modifying them in any way?

Lt. Gen. ALLARD: No.

Mr. CARTER: We just take them as they are?

Lt. Gen. ALLARD: I was the chairman of the committee which selected the CF5 and we examined all the airplanes available, all of them. The CF5 was the one that offered the best characteristics to adopt to our mission. Let us not forget that none of the airplanes had been designed before the war in Viet Nam really became a problem. Airplane designers were trying to sophisticate airplanes to a point which also aimed at delivering the large weapons. When we selected an airplane we had difficulty choosing what we might call an airplane specifically designed to do a certain job and the CF5 was almost that. No modifications have been made to it; it is exactly the same as we have seen it.

One of the things we are doing, however, since we are not intending to deliver bombs every time we take off, which is a different story altogether, is to use the CF5 for surveillance—the surveillance of jungle area, of wide spaces; surveillance of all kinds. Therefore, the package it will carry in lieu of bombs, in 70 per cent of the cases, is an electronic package which will be designed—it is not done yet—to bridge the gap between the bombing and the old reconnaissance airplane which was using eyeball (visual) technique.

We are trying to bridge that gap and make it valid in terms of effectiveness against the type of individual we are thinking about. We are not looking for tanks any more. We are looking for an individual hidden under a straw hat somewhere in the bush. This is what we are aiming at and this is a tall order. It is not complete yet but we are getting there.

Mr. MATHESON: General, some years ago, I read one publication of the Annals of the American Academy of Political and Social Science in which was a series of articles by purely academic writers in the United States on the new problems relating to guerrilla warfare. I took it that there had been a good deal of research conducted even in the Pentagon, and farmed out to various other places, on the philosophy of modern peacekeeping. I have heard no more about this. I take it that, in this art, we are practically the best people in the world. But are we on a par with what is being done in a scholarly way, on this subject?

Lt. Gen. ALLARD: I have the best expert right in this headquarters. Of course, you know, the Congo was a bit of an eye-opener to us. Although, in the Congo, we were not committed with ground troops, except technicians, we learned an awful lot of lessons from it.

The experience we acquired in the Congo generated a number of thoughts on which many of our officers have worked for a long time. I would suggest to you that, in our thinking, we are ahead of the United States. They have a much more powerful research organization and we are now using everything available from the philosophic to the technical end of it. We have already had two meetings with the Defence Research Board on the subject and we are well on our way.

Mr. LAMBERT: Regarding the transport complex, as it is sometimes called, or maybe, expeditionary force, I am a little concerned about the maintenance and equipment of the CF5. The popular question is how do you get the CF5 to the scene of operations? Its possible use may be in the temperate zones but its most likely use, I believe, would be on peacekeeping or blasting operations. The problem is how to get it there and maintain it. What is the thinking on this?

Lt. Gen. ALLARD: First of all, Mr. Lambert, I would say that to get it there is relatively simple. A tanker using the buddy system is the one we favour. The buddy system is an airplane flying at the same altitude at approximately the same speed with refueling facilities that will continually refuel the airplane on its way out. A simple operation with no complications whatever. Before we made the decision we considered the problem very carefully and we have decided to use the buddy system.

So, we are now there. What happens at the other end? This airplane is simple. It has two engines which are easily removed from the fuselage. They can be shipped back home easily and replaced. As a matter of fact, not only the

CF5 but all our air equipment is now, or will have approximately the same maintenance factor. For local repairs, we are planning in our squadron to have sufficient repair facilities to do first line maintenance and anything beyond this is being shipped back to our CF5 base here for reconditioning and so on. We see no difficulties at all in operating in most of the areas you have referred to. We have made an inventory of all airfields and of the spaces we would require and we see no difficulty.

When you speak about the tropics have you something else in mind; some tropical condition such as termites?

Mr. LAMBERT: Certain problems have cropped up. For instance, as we know, in the 130Es the growth of fungus. These are all operational problems. But I am considering the idea, first of all, that you might fly the aircraft direct, and I know that crews can fly only so far and then have to stop. There is no station anywhere along the way where a new crew can be picked up. This is a thing that worries me with regard to this particular form of transport.

Lt. Gen. ALLARD: Of course, if you look for an area in the world where it is almost impossible to go, I can find some of them, from which we may have to operate. These are difficulties, of course, which will occur regardless of the type of machinery you have. We are, at the moment, engaged in a very serious study of the local conditions which exist in various areas where we might be committed. This is a broad aspect.

Mr. LAMBERT: And there are quite a few.

Lt. Gen. ALLARD: The answer to the question is a few.

Mr. LAMBERT: Now, the related question to this, of course, is that you are going to require a greater number of heavy transport aircraft. Every time the 130E is converted into a cowplane it is no longer available to use as transport. Are we not at a critical point where we are very short of standard transport planes without committing these other aircraft to this particular purpose?

Lt. Gen. ALLARD: I have no knowledge of the conversion of the 130.

Mr. LAMBERT: Well, what would you use as your buddy plane?

Lt. Gen. ALLARD: In the program we have the necessary airplane. My expert will speak again.

A/C CARR: Sir, the whole business of inflight refueling and its philosophy has been explained by the General. In the field of transport our aim would be to ensure that whatever additional transports are provided they would have more than one capability.

We have examined a number of the ones which are available and we have looked at the 141, for example, which is the Lockheed big Herc craft, which is one way to think of it. This airplane has sufficient internal fuel in its wing tanks, for example, to deploy itself plus seven CF5s across the Atlantic direct from Montreal to say, Marville in one leg. In addition, in the fuselage, you could carry the necessary ground crew, ground support equipment and so on, to go along with the aircraft and operate them when they get there. So the philosophy is really towards a multi-purpose airplane in which, its primary role is not

degraded by the installation of certain equipment which would be necessary to do this job.

Lt. Gen. ALLARD: Another system we can use in the refueling airplane is the rubber containers. These are now available and quite easily installed and any light airplane can go and take a drink from it with no problem.

Do not forget that we have not yet finalized our plans completely. What I am trying to tell you here is that we recognize that there will be some errors. If you look for them they are easily found. But, on the other hand, we are very much in the process of finding out what those are and our deployment plans will have to be made according.

We have the Buffalo, for example, which we can always stage. In Norway we had to stage, by the way. We did stage in the south of Norway because it was too dangerous to land the planes at the forward airfield. So we staged in one case and carried forward with the 130s to the forward airfield and the whole thing did not add much to the total turnaround. It was a dicey airfield so we played safe. If there was an emergency we could land with the Yukon at the forward base we used, at the risk of losing a whole planeload, so in peacetime we staged. But it exercises us at the same time, in doing that kind of planning in case we need to do it.

The CHAIRMAN: I have a supplementary. Will the tanker type aircraft be available to you at the time we receive delivery of the CF5?

Lt. Gen. ALLARD: There should be no difficulties in that, no difficulties at all.

Mr. BREWIN: I understood you to say that a unit might have three operational roles within a short period of a year?

Lt. Gen. ALLARD: I did not say that. I said that this was the old system. On the new system we will stabilize.

Mr. BREWIN: Another question, does the concentration which, I understand, is on the lower end of the spectrum rather than the upper end, involve a substantial change in training? Do you have to have a different type of training?

Lt. Gen. ALLARD: Yes, it does.

Mr. BREWIN: Have we moved into that?

Lt. Gen. ALLARD: Partially. The difficulty at the moment is, of course, that all our troops here are assigned to a multitude of tasks and so we have to train them for all of them. One of the things we want to do is to stabilize them in one task. However, some individuals may change from one task to another.

For example, that light unit is going to be very attractive to a fellow who likes to live dangerously, so all volunteers can go into it. In other words, that unit is going to be an all-services one and it does not matter to which service the volunteer belongs. Therefore, we intend to look at the individual a little bit more rather than considering the unit as a large body of troops, some of whom might not be suited for the task.

We have had difficulties. I have had a lot of experience in training parachutists and we always have difficulties in getting the right chap. Some

fellow goes up and he boasts, because he is with his chums, you see, but then when the time comes to go off and he gets to the door, he has to be helped a bit. We are trying to get away from this and we will.

Mr. MATHESON: It seems to me with the new emphasis on Canada on peacekeeping, which is a very important military role, it would be very helpful if Canada had, as part of it, some of the more remote and perhaps southeasterly islands of the Caribbean. I know this involves political considerations but it seems to me that, since Confederation, we have had a very high degree of partnership with the whole area and it would, geographically and in many respects, help us to execute this peacekeeping job.

Lt. Gen. ALLARD: If I were a parliamentarian I would make a beautiful speech in the House on that subject. Of course we are not speaking of strategic deployment. Strategy today is not the same as it used to be. When we talk about strategy today we are talking about something quite different and therefore the use of the Caribbean islands would not be very significant in terms of strategy. But it would be very significant in terms of training.

Mr. LANGLOIS: It would be a privilege to go down and sit around a while.

Lt. Gen. ALLARD: I would love it and the troops would love it too.

Mr. CARTER: To what extent do you have paratroop training now? Does everybody undergo it or is it an essential for certain types?

Lt. Gen. ALLARD: At the moment we train one company group for three infantry battalions, namely, the Royal Canadian Regiment, the Princess Patricia and the Royal 22nd. In addition to this, there is an airborne medical, airborne signals, airborne engineers, airborne artillery and airborne logisticians of all description. They are now in existence and we maintain them through our school at Rivers.

The idea now is to change this philosophy, use the same personnel but group them together permanently because at the moment it is extremely difficult. When I was commander of the third brigade, here in the east, the Royal 22nd had three battalions and therefore they used to pass the parachute role from one battalion to the other. The only thing it meant was that we transferred the men from one battalion to the other, because it was easy in the 22nd. But, of course, what about the man who wanted to go overseas? So he went overseas and he lost his risk pay. So that there was always a tendency to do this but with three battalions it was easy. The Van Doos were always ready at any time because if you have only two units, like the Princess Patricia and the R.C.R., when you prepare a unit for an overseas tour they have to give up that parachute role, more or less, for almost a year before they start. Since the unit they are replacing is overseas, they do not start with parachuting until they return home and it takes them about six months to catch up. Therefore, you had a period of over a year and a half with only one effective unit in that particular field and that was the Royal 22nd.

The new system we are proposing changes that considerably because they will be permanently ready. We will get them from all over the country and train them and, if we find them unsuitable for that job, then they will be returned home with no loss.

Mr. CARTER: Now the little chart you had on the screen showed a number of roles you must be prepared to meet and they ranged all the way from peacekeeping in Cyprus to security in the Congo and right up to conventional warfare. Now there is no way of knowing which of these roles you are going to be asked to undertake?

Lt. Gen. ALLARD: Would you put 171 on?

We do not know. Nobody can predict the role. The problem is this: if you begin to look at agitation, terrorism, guerilla warfare and conventional warfare—do not forget that we stopped at conventional warfare—one hundred per cent is infinite force so we did not go beyond that. If you look at this chart and see the green line and how it falls off, and marry it with this ready force in here, you find that our whole organization is based on the whole spectrum. Suppose you went into conventional war, a combination of the mechanics we gave and a combination of these forces makes a very effective force. Also a combination of these (*indicating*) with one of these (*indicating*) makes again a very useful force. It depends.

Do not forget one other point, when we have shown on the chart the 45 degree line, which is a theoretical line, it was only meant to illustrate the possibility of the enemy for scaling up. We do not scale up. In peacekeeping you do not scale up, you try to prevent scaling up but you always have the ability of scaling up. Therefore, what I wanted to do was to make people realize that when you get to a portion of the scale which is beyond the capacity of the paratrooper, then you have got to provide another unit and therefore we, in our rotation system, in that task, would provide one of these (*indicating*). And, if it goes up to limited war we would end up, possibly, with one of these groups in here (*indicating*) married up with this one (*indicating*) to end up with this one (*indicating*) in the offensive phase.

Mr. CARTER: When you get a request like that for the Congo which was mainly for communications people, I understand; signals.

Maj. Gen. ROWLEY: Right.

Mr. CARTER: Does that not make a gap somewhere in your signalling troop personnel?

Lt. Gen. ALLARD: It will.

Mr. CARTER: How do you go about filling that gap? Does it not destroy the balance of your forces?

Lt. Gen. ALLARD: The flexibility we are building in is to avoid these holes that will exist. They have got to exist somewhere. If a force is committed somewhere, obviously the other part of this is just like using the cooks, for example. We take the cooks of a field unit and put them on the base but they still belong to that unit. But if a unit wants to go out it takes its cooks with it on the principle that if the unit is not there to be fed, the cooks need not be at the base. So, similarly, if you look at signallers; if you commit troops somewhere obviously there is no need for signals or for support elements.

The point you raised about the Congo is a special case. We are prepared to met it also. With the over-all arrangements that we have, we should not have difficulties in carrying on here. Our headquarters here are designed for this

purpose. This is the reason why I grouped them all under this headquarters here. The signals regiment is designed in a number of packages that can do these jobs. Of course we will be short, definitely. But, instead of training here they will be operating in the Congo. That is all there is to it.

Mr. CARTER: In other words they are continuing their training in a different sort of field?

Lt. Gen. ALLARD: That is right and if there was a larger scale where all troops are needed I am quite sure that other decisions would have been taken and we would be relieved of that commitment.

Mr. MATHESON: Just one point, General. The question has come up, on occasion, in the House, regarding the cost to Canada of the Cyprus force. Now I suppose that if the Cyprus force were committed long enough it would really not be a very great expense at all.

Lt. Gen. ALLARD: I do not really understand what the length of time of the commitment has to do with this, because we rotate them every six months. So that most of the cost involved is of transporting them from here to there. The force in Cyprus, if it was not there, would be here.

A lot of people are not thinking very seriously about the effect this has; of people going away for six months, returning. So we make the rotation as rapid as possible while trying to maintain effectiveness at the other end. It takes a few weeks to get accustomed to the troubles in Cyprus so the force is not always as effective as it could be. Our future systems will, we hope ease this situation.

Mr. MATHESON: Do you also take advantage of the Cyprus challenge to, in effect, train?

Lt. Gen. ALLARD: Definitely.

Mr. MATHESON: By rotation?

Lt. Gen. ALLARD: Definitely.

Mr. BREWIN: I just want to ask a general question. Do all the plans for the development of this mobile force take into account an alliance approach that larger nations with which we are likely to be allied in any operation, will take responsibility for military action on the upper end of the scale, whereas smaller nations, such as Canada, may be better able to handle things at the lower end of the scale. Therefore we contemplate moving not as Canadians, and not with a strategy applicable to all circumstances, but with one that assumes co-operation.

Lt. Gen. ALLARD: Are you suggesting a withdrawal from NATO?

Mr. BREWIN: Oh, well, I could under some circumstances.

Lt. Gen. ALLARD: I cannot answer that question then because you see the point is I am charged to reinforce the NATO theatre, which is Canada's policy. I have forces of the description which are required. However, another point which is very important is that nobody can predict, once you are committed, what kind of forces you are going to need.

I would like to make a suggestion to you. We talk about terrorism, we talk about guerrilla warfare, but if you go to some countries where the Soviet Union have put T34 tanks or T44s or T54s you may end up with them and there are some countries in Africa today which have them and which are troublemakers too. So how can I judge the country in which I am going to be committed? The only thing is to suggest to the government that for that particular area which we are now studying, we would have to commit a proportion of the mechanized forces which are used at the upper end of the scale.

There are several tasks involved in limited operations. First, you have to secure your base. If your base is going to be attacked by tanks, obviously you have to have anti-tank defence. On the other hand, at the same time you may be out in the country on that strategic deployment I mentioned. You do not need tanks there because you are in the jungle and nobody cares, but you have a different problem. Therefore, you may end up with a package of the two put together.

But do not forget that the defence of the base is absolutely essential. I can also use a ship as a base. It is simple. But I also have to defend the ship with scuba divers to prevent someone from blowing it up and doing all kinds of things. So the mixture depends entirely on the situation and the spectrum we are trying to cover is very realistic for Canada.

Mr. BREWIN: I did not mean to raise a direct question on our participation or otherwise in NATO. The point I was trying to make is that whether we are in NATO or not is it not a sensible approach for Canada, in choosing what it is going to do, to include the recognition that certain aspects of the spectrum can, in all probability, be dealt with by countries other than Canada?

Lt. Gen. ALLARD: If you are prepared to refuse certain commitments, the answer is correct. But once you have committed yourself for the lower portion, what I am trying to tell you is that you cannot guarantee the enemy will keep at that level. We have to be the master of our destiny in this. If necessary, one package is made to fit a particular situation and therefore this covers the whole spectrum. Do not forget that I left atomic war out of it.

Mr. MACLEAN (*Queens*): I would like to ask a brief question here. I am thinking of the reaction time required for any given situation. There would be a number of variables, no doubt. For example, the distance and type of terrain you were going into and things of that nature. But, leaving them constant, could you give us some idea of the lengthening of the reaction time required as you approach the high end of the scale? For example, supposing you required in the Congo—instead of a specialist troops and so on—a unit with tanks and heavy equipment of this sort. Could you give us some idea of the extra time required to deploy them as compared with something happening on the lower end of the scale.

Lt. Gen. ALLARD: With the Centurion tank you have the problem of loading it onto a ship that can take it and then, once you have loaded it, how long does it take the ship to get there and how long does it take to unload it? This is a very interesting question. We are, however, moving towards an air portable tank. I have shown you a picture of one of them. We are hoping to put the present tank strength where it is likely to be employed, that is the NATO theatre, and forget that one for a minute. Regarding the others, it is a question

of airlift. Now, if you put a tank in an airplane, obviously you cannot load 200 passengers at the same time. In order to provide all the lifts for all the troops you would have to have a monumental fleet of airplanes, which I would not recommend for Canada. I think we have to learn to do the right things with what we have got and what is reasonable.

Now, the next point is that if I have to put troops in a place where tanks are needed, there are two things I can do. First of all, I know that I cannot get tanks there before 30 days. That is fair enough. There is nothing to prevent me, however, in taking a defensive posture at the other end and, by the use of simple anti-tank weapons, defending my position pending the arrival of the heavier equipment, when I could switch from defensive to offensive.

This kind of deployment is the type we have been accustomed to for years. You will remember, as well as I do, that Montgomery in the desert was very lucky in getting the convoys through, around the Cape. They took four months to get there and they lost a number of them. However, the build-up was good so therefore he was able to push on. His predecessors, on the other hand could not get any equipment and therefore they had the troubles of which we know. But I would like to remind you that General Wavell did a marvellous job in the desert with what he had. So it is our job to learn this and we know, I think, that we still have the ability to do that.

The question is the knowledge of our potential when we get there. If we were committed, I would certainly accept the commitment, using the troops I can get there and knowing full well the limitations they have. Therefore, our planning must allow for the period of time required to bring the necessary equipment on the spot, to do the job we are asked to do. If someone said, "You take paratroopers and go and fight an armoured formation somewhere," then I would say, "you are out of your mind". We would do our best but we would not have much success.

Mr. MACLEAN (*Queens*): As you approach the high end of the scale the problem of logistics and transportation and everything goes up at a terrific rate?

Lt. Gen. ALLARD: Absolutely correct. I do not think we have any hope of ever trying to transport a whole armoured regiment, with a 55-ton tank, by air. It is not our aim, anyway.

Mr. LAMBERT: You have different categories of readiness for air transportability as, for instance, the movement of the Black Watch from Gaagetown to Norway. What are the relative degrees, beyond those of the one or two battalions in the event, say, that you had to go to a tropical area where people have to be inoculated, and so on, beforehand? The kit is different. Obviously, you do not go into the non-temperate areas with clothing and equipment which you would take into the temperate zones or the Arctic. What is that degree?

Lt. Gen. ALLARD: First of all, let me deal with inoculation. We will put a number of units at instant readiness, but they can go on leave. In other words, there is instant readiness in terms of inoculations and various things. Now, with three basic inoculations, we can go anywhere in the world. So this problem can be dealt with by maintaining the personnel and this we will be doing because it is very important. We have had problems like this before and I am very much aware of them.

The second part of your questions deals with clothing. You know that our clothing is based on the layer system. You start a man for tropical and, by adding a few layers, you are in temperate and, by adding a few more layers, you are ready to go to the north. This can be dealt with fairly easily. We are very well on our way with our combat clothing. Some readjustments need to be made but we are aware of it and we will do it.

The most difficult, however, is the difference between temperate climate and the two extremes in terms of vehicles and transportation. Fortunately the two extremes fit very well if, for instance, you look at the Dynatrac. The Dynatrac is an over-snow and an over-bog vehicle. It was experimented with in Viet Nam and we used it in Norway. It is perfect, absolutely perfect. This is the Dynatrac here, getting into snow.

But it is not simply an over-snow vehicle. It is over-bog also, muskeg, jungle. It swims. It carries. It only shows one trailer here. It can carry up to five trailers. It is a magnificent little vehicle.

Mr. Foy: From the United States?

Lt. Gen. ALLARD: No. This is the Dynatrac which is made by Canadair. It was made for the United States and developed for the United States by Canadair. In fact, I was in on the original design of it. It is a very good vehicle and it is being tested now. So if you look at the carriage of equipment for the two ends of the zonal problem, we are all right.

In the middle it is more difficult because nobody would use that vehicle in Europe, for example. What we are trying to do is to get sufficient equipment to do the minimum and by a slight concentration—they are very easily transported—we can readjust it for the task. This will be worked out by our ops staff here and we should have no problems.

The CHAIRMAN: General, I am interested in the naval support of the operations of your command. You seemed to indicate a requirement in your briefing but you did not go on to describe how that requirement is going to be fulfilled. We have not yet had our briefing from Maritime Command, which is later on this week. There seems to be to be a deficiency and I am surprised there is not greater participation from the navy on your staff, for example, inasmuch as there seems to be such an obvious need. Perhaps you could expound on this.

Lt. Gen. ALLARD: First things first. This command is a tactical command, which has very little to do with the sea so what I have said to start with is: I will get the experts I need. I gathered the staff here, which is mainly army and air force. To show the flag, I have one naval officer, my ADC, but the answer to your question is that I have entire confidence in Maritime Command to do the tasks we want them to do. For example, last winter *Provider* was in Norway, it carried army helicopters which unloaded *Provider* and the co-operation was 100 per cent. When a task like this comes up, a commander is named and all the elements are put under his command, including ships. Now, if you have a base ship of this description, you need a destroyer escort and therefore whoever is the commodore of the fleet would look after the naval affairs as long as he remains in position.

You said we had no naval staff. In fact, Maritime Command has appointed the Commander of the St. Lawrence area, Commodore Jette and his staff to work with us any time we want. If I need naval advice I ring up and he is here in ten minutes and then we discuss. We had very little to do on the basic things. There will be more.

The new ships which are being bought are designed to take care of one very important commitment and that is the floating base. For example, I say, with a lot of experience, that it is better to treat a casualty on a ship than it is in a dirty old tent in the bottom of the jungle. Since we have helicopter transport there are no problems in lifting a casualty from the battlefield right into a ship. The new ship provides a small but very comprehensive little hospital where our casualties can be brought in and prepared for home evacuation. This is what we intend to do. Even *Provider* can take 15 beds and the new ship is designed to take care of that commitment. If you have to transport troops to a theatre, before you have casualties you can always sleep soldiers on the hospital beds, nobody will object. In other words what we are trying to do is to combine the requirements of the navy for refueling at sea and the requirements of mobile command for carrying ammunition, petroleum products of all description and food and stores of all description.

I would like to suggest also that, beyond this, what we intend to do is to keep what is on the ship as a reserve, more or less, and use the current stock from the bases back home. In our planning we are quite happy in doing what is suggested by Maritime Command, with some modifications I have suggested and which have been agreed to.

So far as the balance of the fleet is concerned, if there is a requirement to keep six ships in the area, Maritime Command will send them under a commodore who will be under the over-all command of the area of the theatre commander and this arrangement is quite easy. The sailors will plan it, the experts in the field, in the same way that I am an infantry soldier and know everything about infantry, so they can help me in planning the other and that is it. We see no problems whatever in the liaison between Maritime Command and this command, any more than that with Transport Command. I had a meeting here with all the commanders. We fixed everything up with no difficulties.

Mr. MATHESON: You mentioned a moment ago that this was tactical headquarters or something to that effect. You said that the function of mobile command in which you are deeply involved, is actually making the deployment. Now, am I right in understanding that the way it worked in world war II was that you sent out a force that had a certain establishment and they in turn interpreted strategy and tactics and so on. The present communications having been stepped up and expertise developed here, in effect, you could determine the tactics of a particular problem concerning the whole area.

Lt. Gen. ALLARD: My job here is to prepare troops for the various contingencies. If we are deployed somewhere in the field I have a tactical headquarters. If it is up to division size, General Rowley; if it is lower than this, Brigadier Dare or somebody else, of a task force headquarters who will deal with the problem locally.

Mr. MATHESON: It moves out?

Lt. Gen. ALLARD: We have a detachable portion of this headquarters.

Mr. MATHESON: Will you take some of the responsibility?

Lt. Gen. ALLARD: I will take all of the responsibility. I have a supporting commander.

Mr. MATHESON: You are going to fight the war from Montreal?

Lt. Gen. ALLARD: I am not going to fight it from Montreal. He is going to fight it there but he is one of my officers in which I have all confidence. I would support him and take all the blame.

Mr. MATHESON: Would you also take all the glory?

Lt. Gen. ALLARD: Oh, there is not much glory in winning that kind of thing.

The CHAIRMAN: Gentlemen, I know you want me to thank General Allard and his officers for a very, very extensive briefing. I am afraid we have a slight change in our program inasmuch as General Allard has offered us the hospitality of lunch. But, General Rowley has suggested perhaps we could have our lunch on the aircraft.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament

1966

STANDING COMMITTEE

ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12

THURSDAY, JUNE 23, 1966

Respecting

Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Mr. E. B. Armstrong, Deputy Minister of National Defence; Rear Admiral W. M. Landymore, Commander, Maritime Command; Mr. A. M. Pennie, Deputy Chairman, Defence Research Board; Commodore S. M. Davis, Assistant Deputy Chief Engineering, Canadian Forces Headquarters.

ROGER DUHAMEL, F.R.S.C.

QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

LIBRARY

JUN 30 1966

★ 24674-1

UNIVERSITY OF TORONTO

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Carter,	Mr. Hopkins,	Mr. MacRae,
Mr. Deachman,	Mr. Langlois	Mr. Matheson,
Mr. Dubé,	(<i>Chicoutimi</i>),	Mr. McNulty,
Mr. Éthier,	Mr. Langlois	Mr. Rock,
Mr. Fane,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Laniel,	Mr. Stefanson,
Mr. Grills,	Mr. Lessard,	Mr. Winch—(24).

Hugh R. Stewart,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, June 23, 1966
(15)

The Standing Committee on National Defence met *in camera* at 9.45 a.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Brewin, Carter, Dubé, Éthier, Fane, Foy, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), Lessard, MacRae, Matheson, McNulty, Rock, Smith and Mr. Stefanson (17).

Members also present: Mr. Forrestall and Mr. McCleave.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Mr. E. B. Armstrong, Deputy Minister; Rear Admiral W. M. Landymore, Commander, Maritime Command and Rear Admiral M. G. Stirling, Deputy Commander, Maritime Command.

The Chairman read the Sixth Report of the Subcommittee on Agenda and Procedure, which is as follows

WEDNESDAY, June 22, 1966.

SIXTH REPORT

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 5.00 p.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Groos, Hopkins, MacLean (*Queens*) and Mr. McNulty (4).

Your Subcommittee discussed and agreed to the following recommendations

1. That the scheduled briefing by Maritime Command at the meeting on Thursday, June 23, 1966 at 9.30 a.m. should be held *in camera*, because some of the information that can be provided is of a classified nature.
2. That the Main Committee should meet on Thursday afternoon, June 23, 1966 after the Question Period, to commence consideration of the individual items in the Estimates of the Department of National Defence. Questions concerning Maritime Command from other Members which could not be asked during the morning Meeting, could also be raised at this time.

The Subcommittee meeting adjourned at 5.20 p.m.

The Sixth Report of the Subcommittee was approved as presented, on a motion of Mr. Carter, seconded by Mr. Lessard.

The Chairman introduced Rear Admiral Landymore, Commander, Maritime Command who presented a briefing on the organization and functions of Maritime Command. A portion of the briefing was unclassified and is reproduced in the accompanying Evidence. The balance of the briefing was an *in camera* session on defence matters related to the role of Maritime Command. The Minister and Rear Admiral Landymore answered questions concerning Maritime Command, during the remainder of the meeting. A record is contained in the accompanying Evidence. The Chairman thanked Rear Admiral Landymore on behalf of the Committee.

The meeting was adjourned at 12.40 p.m. The Committee will meet again at 3.30 p.m. this day, to consider the individual items in the Estimates.

AFTERNOON SITTING

(16)

The Standing Committee on National Defence met at 3.45 p.m., with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Brewin, Carter, Deachman, Éthier, Fane, Foy, Grills, Groos, Hopkins, Lambert, Langlois (*Chicoutimi*), Lessard, MacRae, Rock and Mr. Smith (15).

Member also present: Mr. Forrestall.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Mr. E. B. Armstrong, Deputy Minister; Commodore S. M. Davis, Assistant Deputy Chief Engineering; Mr. A. M. Pennie, Deputy Chairman, Defence Research Board.

On motion of Mr. Foy, seconded by Mr. Éthier,

Resolved,—That Item 1 of the Main Estimates 1966-67 relating to the Department of National Defence be stood over for further consideration until after the remainder of the items had been agreed to by the Committee.

It was moved by Mr. Lambert, seconded by Mr. Foy and agreed that information requested earlier by Mr. Brewin (Page 43 of the *Minutes of Proceedings and Evidence*) and tabled at this time by the Minister, be appended to this day's *Minutes of Proceedings and Evidence*. See Appendix A and Appendix B to the *Minutes of Proceedings and Evidence*.

The Chairman called item 15 in the Estimates. During the discussion, the Minister agreed to provide up-to-date figures on armed forces enlistments and discharges, in the form asked by Mr. Forrestall in his original question appearing on page 4863 of Hansard, dated Monday, May 9, 1966. Item 15 was carried.

The Chairman called the following items, which were severally carried:

Item 20, Item 25, Item 30, Item 35.

Item 45, Item 48, Item 50, Item 55 and Item L 45.

The Committee resumed consideration of Item 1 and carried it.

The Committee adjourned at 5.20 p.m., until Tuesday, June 28, 1966 at 9.30 a.m.

Hugh R. Stewart,
Clerk of the Committee

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, June 23, 1966.

The CHAIRMAN: Gentlemen, we have a quorum. I would like to commence the proceedings by saying that I have here the sixth report of the subcommittee on agenda and procedure dated June 22, which reads as follows (*See Minutes of Proceedings*):

You have heard this report; and could I have a motion for concurrence?

Mr. CARTER: I move the report be accepted.

Mr. FOY: I second the motion.

The CHAIRMAN: All those in favour?

Motion agreed to.

Our meeting this morning will be an *in camera* briefing by Maritime Command. I would like to welcome them here today. I see a lot of familiar faces but I would like, first of all, to impress upon hon. members that some of the information we are about to receive is of a very confidential nature and you are therefore, required to maintain secrecy in relation, thereto. This is the same warning as we have had at previous meetings and if any members feel that they cannot be bound by this, they have the option of retiring.

This morning we have with us Admiral Landymore, who is the commander of Maritime Command; also Admiral Stirling who is the deputy commander with their staff of officers and I would ask them if they would be kind enough to proceed with the briefing.

Hon. PAUL HELLYER (*Minister of National Defence*): Mr. Chairman, just before they commence, I would like it to be understood that about half of the briefing this morning is not classified and that part can be printed as evidence of the meeting and also the questions relating to it, the unclassified portion of the proceedings.

The CHAIRMAN: Is this going to complicate matters as far as the recording is concerned?

Mr. LAMBERT: During the question period it might unless members say I want unclassified questions.

Mr. HELLYER: In the question period we will have to decide which of the questions relate to the classified and unclassified portions and which can go into the evidence, if that is agreeable.

Mr. LAMBERT: Yes, the American committees work that way.

The CHAIRMAN: Admiral Landymore if you please.

Rear Admiral W. M. LANDYMORE (*Commander of Maritime Command*): Mr. Chairman, the Minister and members of the standing committee on National Defence, it is a great privilege to have been invited to appear before you today. As I understand it, the reason I'm here is to provide for you an outline of the purpose of the Maritime Command, how we are organized to fulfil our mission and what forces we have for the purpose.

I welcome this opportunity to take you behind the scenes of Maritime Command because so often I feel that public knowledge of anti-submarine warfare is twenty years out of date and the public impression is that maritime forces are old-fashioned. The main reason for this misconception is that information about the tremendous strides made by the submarine has had excellent coverage in the press, while matters concerning defence against the submarine are little known. A proper opening for this briefing therefore is to give you the assurance that anti-submarine warfare has made progress just as dramatic against submarines, both conventional and nuclear and that your forces in this regard are amongst the best in service today. Moreover our officers and men are as skilled as any in the business and as professionals have not been satisfied and will not be satisfied to leave the submarine threat unmastered.

SEA LINES OF COMMUNICATION

Free use of the high seas and right of innocent passage through territorial waters are accepted by all Western maritime countries as the common privilege of ships of all nations. I say Western maritime countries because it is not true of all Iron Curtain countries, most of which closely regulate and restrict the movements of merchant ships through water they control. As a major trading nation, free use of all the trade routes of the world by ships of all countries is vital to



Canada. This slide shows a typical distribution of merchant ships in the sea routes of the world on any day of the year and as each dot represents three ships you can get some idea of the fantastic volume of this traffic.

So much of the world's goods move by sea that the slightest disruption to sea transport can create chaos in a very short time.

SEA POWER

This leads me to consider the broader implications of Sea Power, and here I think it is only proper to point out that almost every major skirmish since the end of the Second World War has involved the use of Sea Power. Forgetting for the moment the rights or wrongs of these events, it is a fact that the United Nations could not have supported Korean operations without absolute control of the seas. Suez was a seaborne operation. Cuba was an example of the exercise of Sea Power in such a way that although not a shot was fired nor a life lost, the United States nevertheless imposed its will on the U.S.S.R. The United States could not be doing what is being done in Viet Nam without absolute control of the seas. Lebanon and Kuwait are further examples of the exercise of Sea Power in its basic meaning of the ability to use the seas for one's own purposes and to deny their use to hostile nations.

CANADA'S ROLE IN KEEPING PEACE AT SEA

In Canada we very rightly wish to prevent the outbreak of wars of any sort, and failing that we wish to use our influence to prevent small wars from growing into bigger ones. The record of the Canadian Government in this respect is a record of excellence, both in word and deed; but it rarely occurs to Canadians how important stability and law and order on the high seas are to our national aim. The application of this aspect of our national aim is my responsibility as the Commander, Maritime Command. This responsibility postulates a positive requirement to be able to exercise Canadian authority over our sea approaches, and to act in response to national major alerts in times of tension. It is not enough to attempt to establish command of the sea after hostilities have broken out. Indeed, alertness in surveillance in peacetime of our approaches may be the very means by which peace is preserved.

In other words, any nation friendly or unfriendly can deploy men of war, be they surface ships or submarines, perfectly legally just outside our territorial waters. If the intentions of these vessels should be hostile, it is necessary to demonstrate that we have the ability at all times to challenge such intentions.

The potential threat of submarines is so great that if ever any nation unfriendly to the free world got the idea that it had gained control of the seas, it might be tempted to challenge our freedoms. By keeping a close watch on this threat, and by advancing in ways to control it, we in Canada are making a contribution to peace second to none, and out of all proportion to the size of the maritime forces we maintain.

Before moving on to the present operational situation, there is one other important aspect of peacetime employment of forces that should be mentioned. As you are well aware, we are constantly exercising under realistic conditions at sea, both in national exercises and also with other NATO countries. These exercises frequently take our ships and aircraft abroad, and it is customary in consultation with the Department of External Affairs to arrange representational visits to foreign countries for the promotion of good will and the improvement of trade relations,

so that in connection with our professional activities we are able to take Canada overseas, and thus enhance our international relationships.

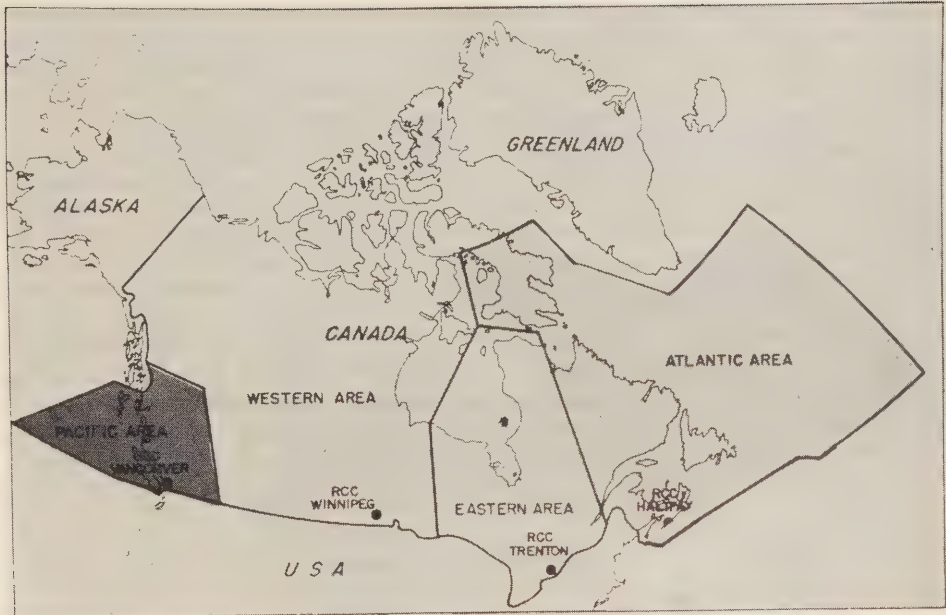
I would like now to discuss the present operational situation. A few months ago one of the Soviet leaders made the statement that the free world no longer enjoys a monopoly of sea power. Whatever his reasons for making this statement may have been, he most certainly had available to him knowledge that the Soviets are in possession of the world's largest submarine force, now comprising some 35 nuclear and about 400 diesel-driven submarines.

This series of slides illustrates some of the types. Of these about one-sixth are equipped to fire missiles of one sort or another. Their nuclear submarines can range far and wide, and have in fact travelled from the Atlantic to the Pacific. An equally large proportion has the ability to take stations off our coasts. Moreover, it is probable that they will do so to match the western Polaris capability. This brings the submarine threat to our doorstep and confirms a capability of pointing missiles at this our Capital City and at most of our other centres of population and industry.

But this is not the only form of activity off our coasts. At the moment there are masses of Soviet fishing fleets, both in the Atlantic and in the Pacific working very close to our shores. The number of vessels varies from year to year according to the dictates of catching and the demand for fish. But each year it amounts to several hundred trawlers, complete with fish factory ships, supply ships, tugs and all the logistic support needed for their fleet. They are operated as navies are operated, and it is significant, thinking in terms of an emergency, that last year there were over 800 of them deployed in the western Atlantic and more than 200 in the eastern Pacific. In the Atlantic group, more than 20,000 men were involved in this operation. Personally, I find no reason to be complacent about their presence.

In summary, so far, I have said that free lines of sea communication are vital to our national interests. I have indicated that the iron curtain countries have fleets which could be used seriously to challenge the free use of the sea and that this same force can deploy on our doorstep weapons of mass destruction. I have shown that they gather intelligence, lawfully using the seas, but in such a manner that we cannot ignore the simple fact that it is unfriendly. I submit to you that these activities define the purpose of Maritime Command as far as Canada is concerned, and no matter whether or not we ever become involved in war, we can be sure that by being indifferent to these matters, our national interest will be neglected.

Maritime Command, in the course of its daily activities, must make itself fully aware of the situation in our sea approaches. This requires our ships and aircraft to be active in our areas of interest. While this activity keeps us both prepared and alert to the situation, we can and do perform an ancillary function in the field of search and rescue. Each day I face emergencies at sea in the air or on land, which involve units of my command. Hardly a day goes by that we do not perform a humane service of rescue or medical assistance to Canadians or other nationals in the common interest of helping our fellow man. As far as Canada is concerned,



our search and rescue areas of responsibility are shown on this slide. In all incidents that might occur from a ship in distress to a downed aircraft, to a hunter lost in the woods or a medical emergency, our search and rescue organizations springs into activity to deal with the situation. Our maritime forces, because they are expert in long range search and reconnaissance and because, in the course of their primary activity, they are always available, they are ideally suited for dealing with all types of rescue operation.

My next slide summarizes activities in 1965—a typical year for the Atlantic region. We dealt with 99 cases of distress in relation to ships and aircraft; we

SAR CASES ATLANTIC AREA

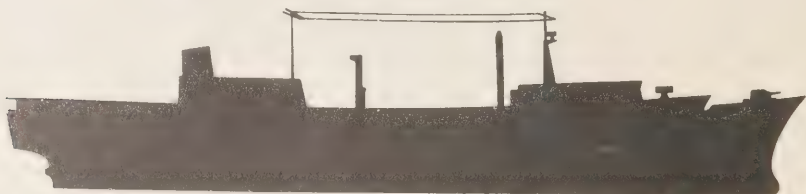
1965

	<u>CASES</u>	<u>A/C HOURS</u>	<u>SHIP HOURS</u>
DISTRESS	99	1332	700
MEDICAL	151	604	278
ALERTS & ASSISTANCE	399	136	760
<u>TOTAL</u>	<u>649</u>	<u>2072</u>	<u>1738</u>

carried out 151 emergency medical evacuations and on 399 occasions, either supplied assistance to meet a situation or alerted our forces to meet a possible emergency. This involved a total of over 2,000 flying hours for our aircraft and Canadian ships were involved for over 1,700 hours. Our Maritime Command forces on the west coast are similarly involved in their area of responsibility.

At this point, it follows logically to mention another ancillary task, that of providing sea lift for Mobile Command. As you are well aware, our aircraft carrier has been used to transport troops and equipment on two occasions in support of United Nations peacekeeping operations. Ships of all types, while not specifically designed for this purpose, can, to some extent, improvise to be useful in this role. As the minister mentioned in his briefing to you, H.M.C.S. *Provider* carried out a sealift to Norway this year, thus performing a useful service in Exercise Winter Express. The design of our future supply ships will be influenced by the sealift task.

The next slide shows a support ship whose design has been influenced by sealift. It shows that in addition to meeting the requirements to replenish our antisubmarine forces with fuel, ammunition and stores, she can carry an impressive lift of army vehicles. A typical load includes two helicopters, 35 operational vehicles and 51 support vehicles with their trailers.



REPLENISHMENT ROLE		MILITARY SEA-LIFT ROLE (TYPICAL)	
<u>PETROLEUM PRODUCTS</u>		ARMY HELICOPTERS	- 2
FURNACE FUEL OIL	- 11,000 TONS	ARMED PERS CARRIERS	- 12
DIESEL OIL	- 450 TONS	SCOUT CARS	- 23
AVIATION FUEL	- 760 TONS	TRUCKS 2½ TON	- 8
LUBRICATING OILS	- 30 TONS	" ¾ "	- 7
<u>AMMUNITION</u>	- 315 TONS	" ¼ "	- 36
<u>REPLACEMENT HELICOPTERS</u>	- 3 CHSS 2	TRAILERS 1½ "	- 1
<u>STORES</u>	537 TONS	" ¾ "	- 4
<u>PROVISIONS</u>	403 TONS	" ¼ "	- 82

I would like now to describe to you the inventory of ships and aircraft assigned to me for my command task. I appreciate that both the minister and General Fleury have briefly touched on this subject. Nevertheless, I think out of deference to the officers and men of my command, who attach great importance

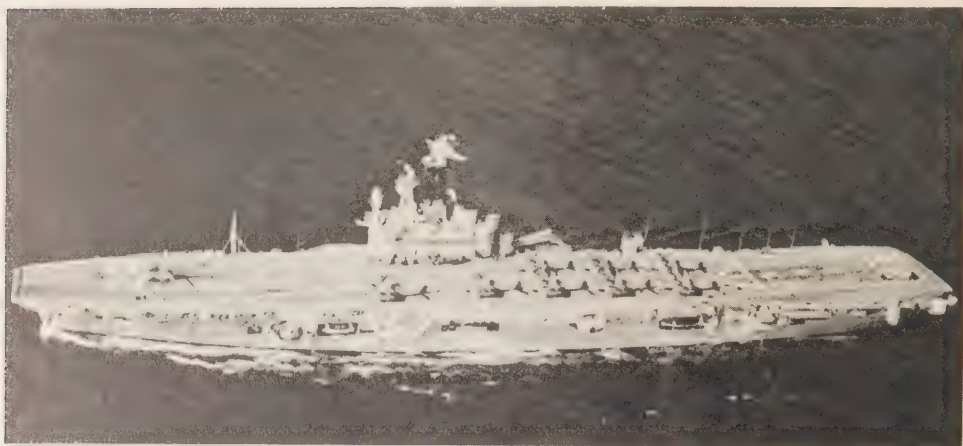
to their own particular units, it would be improper for me to neglect reference to our order of battle. In any event, no brief on Maritime Command would be complete without it.

PRESENT MARITIME FORCES · JUN 66

1	AIRCRAFT CARRIER
9	DDH - ST. LAURENT & NIPIGON CLASSES
11	DDE - RESTIGOUCHE & MACKENZIE CLASSES
1	REPLENISHMENT SHIP
2	MOBILE REPAIR SHIPS (1 IN RESERVE)
10	MINESWEEPERS IN RESERVE
10	FRIGATES (4 HOT RESERVE)
3	DESTROYERS IN RESERVE
3	PATROL CRAFT (TRAINING)
2	SUBMARINES
32	ARGUS AIRCRAFT
21	NEPTUNE AIRCRAFT
71	TRACKER AIRCRAFT
25	SEA KING HELICOPTERS
TOTAL PROGRAMME 41	

2	ALBATROSS AIRCRAFT FOR SAR
2	LABRADOR HELICOPTERS FOR SAR

This slide shows the strength of forces currently assigned to Maritime Command. One aircraft carrier; nine D.D.H.'s of the St. Laurent and Nipigon classes and not shown on this slide, 4 D.D.H.'s of the new class programmed for construction; 11 D.D.E.'s of the Restigouche and MacKenzie classes; one replenishment ship plus two operational support ships programmed; two mobile repair ships, one in reserve; ten frigates;—perhaps I should mention minesweepers first because I believe that is the order of the slide—ten minesweepers in reserve; four of which are being disposed of and ten frigates, four of which are in reserve. We have three destroyers in reserve; three patrol craft which are used in the summer for cadet training, two submarines plus two more under construction; 32 Argus aircraft and 21 Neptune maritime patrol aircraft; 71 Tracker aircraft; 25 Sea King helicopters and 16 more building, for a total program of 41; two Albatross aircraft and two Labrador helicopters for search and rescue. I intend very briefly to deal with each of the major items separately, giving you its current capability and mentioning a few modernization and new construction programs where they apply.



The flagship, in a sense, of the Royal Canadian Navy is our aircraft carrier, H.M.C.S. *Bonaventure*. The operational capabilities of this ship has been repeatedly demonstrated in tactical exercises. Last month she entered the Davie Shipbuilding Yard at Lauzon, Quebec, for half-life, refit and modernization, which will make a significant improvement in her general anti-submarine warfare capability. She should remain in service until the mid 1970's. She also possesses a modest sealift, army support capability.

This next slide shows a ship of the helicopter destroyer D.D.H. type with its attendant helicopter. When H.M.C.S. *Fraser* rejoins the fleet later this year, this



will complete the program of conversion from D.D.E. to D.D.H. for all seven ships of the St. Laurent class. These ships, together with *Nipigon* and *Annapolis*, give me nine ships of this configuration and capability.

This is a destroyer escort, a D.D.E., of which we have 11 of mixed Restigouche and MacKenzie classes. The seven ships of the Restigouche class are scheduled for extensive modernization and conversion commencing early next year. In fact, work is in hand now on the prototype, *Terra Nova*. Using H.M.C.S. *Restigouche*,





as a model, the artist's conception of the finished product is as shown on this slide. This conversion will improve the antisubmarine warfare capability of these ships and I am most anxious to have this program completed as expeditiously as possible. Major work consists of fitting new sonars and a quick reaction anti-submarine rocket. Presumably some form of modernization will be given the four ships of the MacKenzie class in their turn.



This is a picture of H.M.C.S. *Provider*, our only operational support ship at this time. She has proven to be invaluable as an addition to the fleet enabling our

destroyers and the carrier to keep to the seas for extended periods. As I mentioned earlier, in addition to our main role of fleet support, the *Provider* also possesses a sealift capability as demonstrated by her recent participation in Winter Express.

Our two new operational support ships together with *Provider* and *Bona-venture* could carry up to 7,000 tons of military stores, or roughly the total required by a brigade group, and they could take it to any place in the world and, therefore, will provide the necessary sealift to support our peacekeeping commitments.



This is H.M.C.S. *Ojibwa*, the most recent addition to the fleet. She joined us last winter from the Royal Dockyard in Chatham. Two more ships of this class are now building, also in Chatham. These, together with H.M.C.S. *Grilse*, or her successor, will serve to keep our antisubmarine forces in a high degree of operational readiness and will make us less dependant on the Royal Navy and the U.S. Navy for submarine services.

Last, but by no means least, we have our air branch, or air component of the command. Dealing with shore-based aircraft first, we have the Argus which



despite the fact that it is reaching mid-life, is still as good as any long range maritime aircraft in service by any nation today. Tremendous endurance, detection capability and weapon carrying capacity, make it a most useful and potent vehicle for antisubmarine warfare. We have 32 of these remarkable aircraft.



This slide shows a P2V Neptune. While older than the Argus, the P2V is still a very good aircraft with a real capacity for operational employment. There are 24 of these aircraft.

Turning now to carrier based aircraft, this is a CS2F tracker. They operate either from *Bonaventure* or from Canadian forces based at Shearwater or detachments of them sometimes deploy to the west coast as at this moment, to operate from Patricia Bay outside of Esquimalt. We have 71 aircraft of this type,



so that you can see our total holdings of fixed wing antisubmarine aircraft is fairly large. In addition to the fixed wing, we are now in the process of equipping the Sea King helicopters. Twenty-five of these are now in service with additional 16 on order. These have proven to be a good choice of antisubmarine warfare vehicle, possessing all the required flying characteristics and carrying both detection and attack capability. At the moment they operate from the carrier but they will soon be operationally flown from nine of the destroyers as well.

The air component of Maritime Command is kept as current as possible in this age of rapid development. All the aircraft I have mentioned either have now or are in the process of being re-equipped with the most modern detection devices and armaments available.



This slide is an artist's concept of the new D.D.H. for which our program for building dates from approximately 1967 to 1972. The special committee was briefed in some detail on ship construction last year.



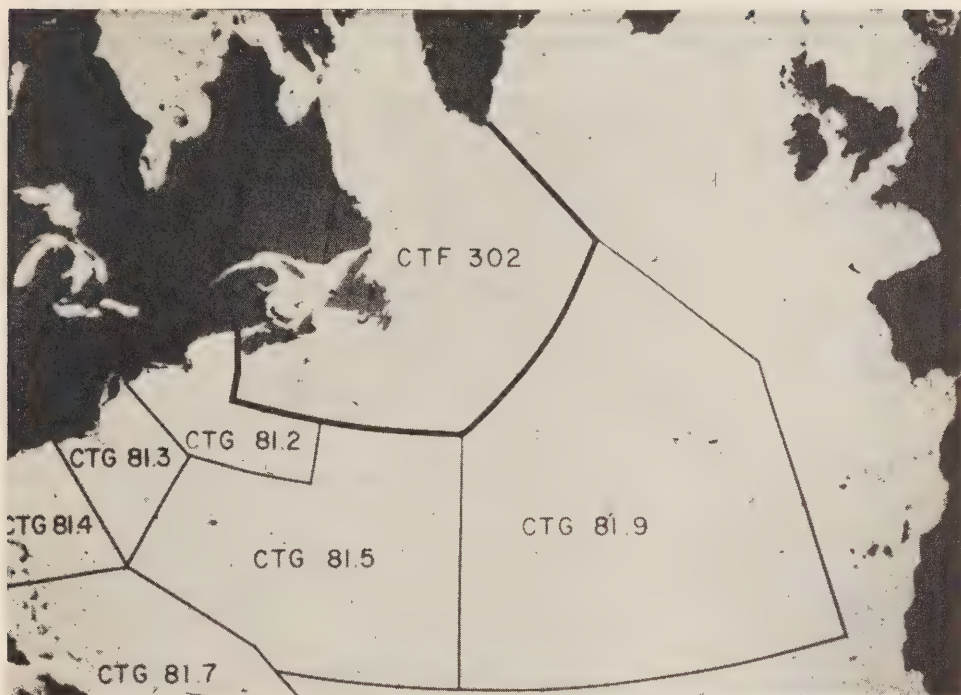
This is the hydrofoil; this experimental vessel should arrive in Halifax later this year for testing in the north Atlantic environment.

As you are all well aware, the Canadian government earmarks selected maritime forces for assignment to NATO and also to contribute to bilateral defence agreements with the United States. This might be a good place, therefore, before I describe our own domestic or national organization, briefly to review where we fit in these international agreements.



Within NATO, the Supreme Allied Commander Atlantic has divided and subdivided the north Atlantic into geographical areas of responsibility of which CANLANT is the Canadian subarea. As subarea commander, I am responsible to the Commander in Chief, western Atlantic, with his headquarters in Norfolk, Virginia, for the destruction of enemy forces and the protection of allied shipping in my subarea. The NATO office of CINTWESLANT, by the way, is held by the same person as the Commander in Chief, U.S. Atlantic fleet, a U.S. national command.

Concerning our bilateral agreement with the United States, in the Atlantic it has been agreed to divide the western half of the ocean into two areas of primary

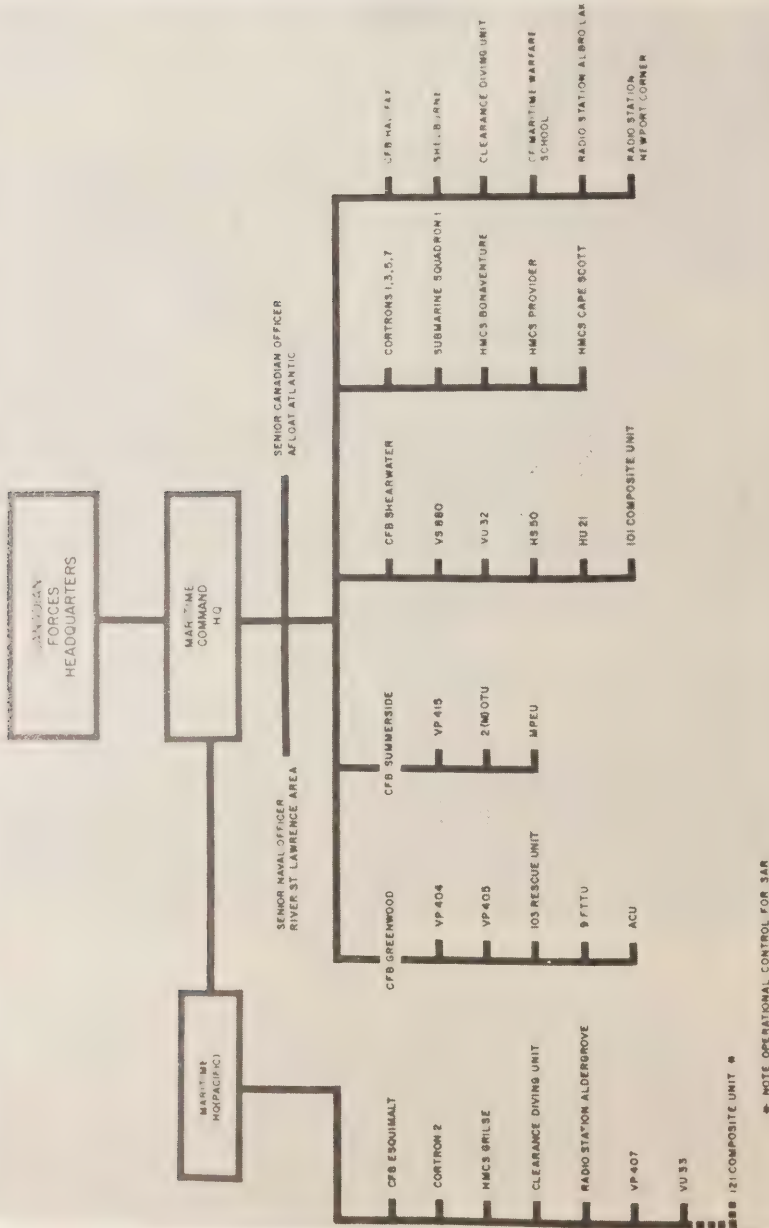


national interest as shown on this slide. The northern area to be covered by Canadian forces and the southerly one by United States forces. These two areas are exactly the same as the NATO areas which greatly simplifies the change over from Canada-U.S. operations to NATO operations. Both commanders look at the entire region as a common concern and each keeps the other fully informed as to the employment of its surveillance forces.

Similar arrangements are in effect in the Pacific in which the agreed areas of primary interest look like this. These are made under the Alaska-Canada-U.S. Agreement. I would like to emphasize that these arrangements are in daily use; maritime operations are, in fact, in progress at this moment. Naturally the tempo is altered to suit the circumstances, but an alert watch is being kept around the clock. So much for our place in international affairs.

Right now I would like to direct your attention to how our maritime forces are organized nationally. General Fleury also mentioned this briefly to you but I would like to elaborate on his remarks to some extent. As reported to you by the Minister in his statement to you of last month, the new functional Maritime Command, embracing all the naval and maritime air forces of Canada, was officially formed under my command on January 17 last. While I cannot say that this has not not been without problems, I can say that we have achieved this massive reorganization to an operational command in being without degrading our operational effectiveness during the transition period, in spite of the inevitable dislocation and the reorganization entailed.

The creation of Maritime Command produced few changes of magnitude in the line or operational chain of command. Depicted on this slide, one change of



significance, however, is that maritime forces on the west coast are now formed into a subcommand responsible to me in Halifax; whereas previously the Flag Officer, Pacific Coast, the Flag Officer, Atlantic Coast and the Air Officer Commanding Maritime Air Command, each reported directly to Ottawa. But, as I have mentioned, one command has been formed embracing all our maritime forces. Note on this slide on our line organization, the five bases which have been assigned to the Maritime Command, four on the east coast, Greenwood, Summerside, Shearwater and Halifax, and one in Esquimalt. Included also, is our squadron line organization. These bases were all officially activated on April 1 last and are now functioning as fully integrated units providing support of all types to operational units and units of other commands in their areas.

You have also had the base organization described to you by General Fleury, and so I will move on to make one or two observations on the organization of my headquarters in Halifax and that of Admiral Stirling's in Esquimalt. Both headquarters are now fully integrated, but this is no new experience for the navy or for our maritime airforces. Realizing the advantages to be gained by the closest possible co-operation between sea and air components in discharging a common task, the operations of maritime air and the navy were fully integrated some ten years ago.

In both Halifax and in Esquimalt for nearly a decade our operations staffs, our planners, intelligence staffs, meteorologists, oceanographers, operational researchers and communicators have worked in an integrated organization, so that the move toward total integration was neither strange nor unreal, and was really only felt in the logistics and administration branches of my headquarters.

Having discussed my ships, aircraft and equipment, I would now like to turn to my most valuable asset, manpower. This is the area of my greatest concern today because I am experiencing a shortage of naval personnel to meet my immediate commitments. Over-all figures available in Canadian Forces Headquarters and reported to you previously show a recent improvement in both recruiting and re-engagement rates for all three services. We must, and I stress the word "must", continue to expend every effort to attract and retain men in our services. In the navy, for example, we introduced a system to stabilize employment pattern which will enable serving men to predict their career prospects including service at sea and ashore. Formal training courses and trade advancement predictions can be made as much as five years in advance. A significant feature of this cyclic system is that it ensures that in ships where teamwork is of utmost importance, there will be the same crew for a minimum of 16 months. With the individual, it will provide a reasonably firm forecast of his employment and advancement prospects. As chairman of the committee which recommended this system, I can say that it has done much toward combining manpower effectiveness and the needs of the individual.

Last October, the government announced a special sea duty allowance which has been a positive step toward recognizing the hardships of the seamen. We have also made a major reduction in our housing shortage in the Halifax area. Still, this is not enough. The minister has drawn your attention to a number of service inadequacies and has expressed his intention of correcting them as soon as possible. Another facet of the problem is the need for recruits to have a relatively higher education and technical adaptability. The complex equipment we are operating today requires a man who can absorb and utilize highly technical skills; we must

recognize these skills and we must recognize that these skilled men are just as attractive to industry as they are to the services with the addendum that the services make extra demands not equitable to civilian industry. This makes it all the more important to the navy to have a high recruiting rate to cover this wastage. In my command we will continue to do whatever we can at our level to improve service conditions which will attract men to and retain them in the services.

Notwithstanding the difficulties that beset us, the forces which are fully operational maintain a lively tempo. Here on this slide is a schedule of major exercises in the Atlantic in which units of the Maritime Command are taking part this year. Some are national; some NATO; some Canada-U.S. This schedule is only the portion of the iceberg which shows above the surface. It represents the culmination of months of individual crew training, squadron training and intertype training which must be completed before the ships and aircraft are ready for advanced exercises. In addition to these major exercises, our ships and aircraft are constantly on patrol on and over our maritime areas of responsibility on both coasts. Our maritime patrol aircraft fly daily reconnaissance sorties throughout these areas and frequently conduct surveillance flights to the more remote regions of the areas. Many of these flights in the Atlantic terminate in such bases as Thule, Iceland, United Kingdom and the Azores. The trackers flying from shore bases provide valuable coverage to our inshore areas are particularly suited to surveillance of the Soviet fishing fleet activities and, of course, all of our forces are available for search and rescue tasks and are called upon fairly frequently to participate in such activities. All in all we lead a very busy life.

Well, that, gentlemen, completes my description of Maritime Command. In conclusion, let me emphasize that as our maritime forces stand today, we can hold up our heads technically with any nation, big or small. In the field of anti-submarine warfare, in all matters of development, tactics and design, we are second to none. In this way we make a contribution to NATO which, in importance, far exceeds our size and financial resources to do so. My command consists of approximately 2,650 officers, 12,000 men and 3,000 civilians. We have the largest capital holdings of any command of the Canadian armed forces. My inventory of ships, aircraft and equipment gives me a reasonable capability of discharging my responsibilities and the new construction and modernization program I mentioned a few moments ago, will increase that capability once it reaches fruition.

Technically, my command is making fantastic progress; so much so, that I am confident that the submarine threat, however potent, and I mean both nuclear and diesel, would, in the event, be controlled and our vital sea lines of communication secured. I feel that the officers and men I command are second to none in the anti-submarine warfare field. I need more of them, and I would like them to serve longer, but those who do dedicate their lives to the protection of Canada against attack from the sea have no peers amongst the navies or airforces of the world in our particular specialty of antisubmarine warfare.

Thank you, gentlemen.

The CHAIRMAN: There is no one coming in here now? Well, if the Committee wishes to proceed and I would like to be able to do so, we do not have to leave this room, and the House is not sitting at 11.

If you are ready, Admiral Landymore, I would like to start the questioning with Mr. Smith.

Mr. SMITH: I think, Admiral Landymore, I am speaking for all of the Committee when I say that we are very impressed by the logic and the clarity of your briefing.

The first question that comes to my mind is, perhaps I am trying to summarize, that the nuclear submarine threat is quite possibly now a greater threat than attack from manned bombers. Is that an unfair conclusion?

Rear Adm. LANDYMORE: I think it is an unfair conclusion. I think that as long as the Russians or any other iron curtain country have a large holding in manned bombers, we can expect, or we could assume that they would use them as freely as they have used the submarine.

Mr. SMITH: Well, would you say, at this stage there is more likely to be successful attack from nuclear submarines than from manned bombers?

Rear Adm. LANDYMORE: At this stage I do not think that, if we are alert and on the job, there will be, under circumstances I have described, a very good opportunity for the submarine to react to any situation. We can be on top of them and ready to deal with them.

Mr. SMITH: You mentioned the number of Argus and Neptunes, and most of the Committee have seen those,—at least some of them have been flown in them during an exercise—and I think it is obvious that you have a great belief in their utility. Even to a layman I think it impressed us, particularly the long range capabilities of the Argus. These planes, the Argus and the Neptune particularly, as they wear out, are they being replaced or are replacements still being manufactured for them or has the Maritime Command something in mind of another plane that is available or will be available?

Mr. HELLYER: Mr. Smith, I think I might answer that question. We have been doing fatigue life studies on the Argus to find out just how many more useful hours it has. I have not seen the results of these studies. They have been going on during the last year. Once we know the results, we will then know what time periods we are thinking of in respect to replacement.

There are a number of aircraft available for this role. I do not know that any of them are really advanced beyond the Argus so far as the state of the art is concerned. The British, as you know, are planning to use a version of the Comet; they have a slightly different philosophy from us in the way that they use aeroplanes in this role, but once we know what the fatigue life of our aeroplane is, we will then have to start looking beyond that and make plans accordingly.

Mr. SMITH: Are the Argus planes being made now?

Mr. HELLYER: No, they are not. They were built in Montreal.

Mr. SMITH: They were built in Montreal?

Mr. HELLYER: Yes. The end of the run was our requirement.

Mr. SMITH: Then, all that are available are the 32 Argus?

Mr. HELLYER: Yes. Actually they are another version of the Yukon; it is the same basic aircraft, but it is especially built for us.

Mr. SMITH: I think they have a very low crash rate. I think there is only one or so that has been lost in a number of years, but suppose you wanted again to

start building up the fleet and instead of four nuclear submarines coming into our area there were ten one year and then 16 the next. What plans, to thicken up or reinforce the work that is being done by an Argus, do you have to react to that? Suppose we need another squadron—I do not know how the Argus are divided—but suppose we need more squadrons?

Rear Adm. LANDYMORE: Well, of course, it would take us some time to get a new aircraft on the line and have them come out into production. If we were faced with this proposition and had to move quickly, I would personally recommend that we go right back and repeat the Argus with a new configuration that we have put in it in the way of detection equipment and not attempt to redesign an aeroplane, so that we have the potential to enlarge very quickly if we wish to. However, I do not think that is the way it will be done. We will examine a means of getting an improved aircraft and, if necessary, when the life of the Argus is ended, recommend that a new type of aircraft be built embodying all the improvements and perhaps making it a faster aircraft.

Mr. SMITH: What type of planes do the Americans use in similar circumstances?

Rear Adm. LANDYMORE: They have an aircraft called the P3 which is a four engine aircraft like the Argus; it has a higher speed than the Argus and a lower endurance.

Mr. SMITH: Is it in production?

Rear Adm. LANDYMORE: It is not only in production, it is in service.

Mr. SMITH: I realize that it would be in service but is it still in production?

Rear Adm. LANDYMORE: Yes.

Mr. SMITH: What consideration applies to the tracker?

Rear Adm. LANDYMORE: The trackers are now being modernized to give it a life to about 1975; in fact, it is matched up with the life of the *Bonaventure* and ~~or~~ ^{unusually} as time goes on we will decide the merit of continuing in this particular type of operation and, if so, will produce an aircraft suitable.

Mr. SMITH: Are tracker aeroplanes still available? Are they still in production in the United States?

Rear Adm. LANDYMORE: No, that program has also been concluded. They are still making spare parts, of course.

Mr. SMITH: Have they replaced it with another plane?

Mr. HELLYER: On that question, Mr. Smith, they were built in Canada under licence by de Havilland and we have a large store of them; far more than are in operational service, so there is no shortage at all, during the operational life through to 1975.

Mr. SMITH: I do not want to take any more of the time but I am interested in the hydrofoil. What stage is it in now? You said it was going to be delivered for Atlantic tests.

Rear Adm. LANDYMORE: I think you could probably get a better answer to that from somebody from headquarters who has been following the design. I am not

connected with the actual development except that when the vessel is finished it will be turned over to my command for testing; we should get her later this year.

Mr. SMITH: It is being developed at de Havilland in Toronto?

Rear Adm. LANDYMORE: Partly, and being built on the river.

Mr. SMITH: Pardon?

Rear Adm. LANDYMORE: She is being built at a shipyard.

Mr. SMITH: What shipyard?

Rear Adm. LANDYMORE: It is at Sorel, Marine Industries of Sorel.

Mr. SMITH: The hull is built there, but you have not seen any of the preliminary tests yet? Related to that, what other navies have been working with hydrofoils and what is the development of the hydrofoil in other parts of the world?

Rear Adm. LANDYMORE: The partial answer to that question is that the initial work in designing hydrofoils was a British-Canadian effort about the mid 50's; both the British and the Canadian scientists are working on this now. The design came to the end of the road. They could do no more on the drawing board and they decided either to scrap the design or to build one. The British were very anxious to undertake a less known development in the hovercraft and really invited us to take on the hydrofoil development. This is how we became largely involved in this experiment.

There are no other nations building hydrofoils except the United States. They already have one hydrofoil operational; it is in service on the west coast and they are building one which is slightly larger than the Canadian hydrofoil but has different foil characteristics, so that out of these two developments, the United States development and the Canadian development, we will be able to ascertain whether the experiment—and it is an experiment—is a good one and whether it should be continued or whether this ends for all times a reason to go on with the building of hydrofoils for antisubmarine operation.

Mr. SMITH: Thank you.

Mr. CARTER: I will begin where Mr. Smith left off, although that was not my natural order but I am very much interested in this hydrofoil. What are the main uses for this hydrofoil? Is it a sub killer What will be its primary use when you get it?

Rear Adm. LANDYMORE: Its primary use will be as a fully ocean-going anti-submarine detection and attack vehicle.

Mr. CARTER: Detection and attack?

Rear Adm. LANDYMORE: Yes.

Mr. CARTER: Not in low transport?

Rear Adm. LANDYMORE: No.

Mr. CARTER: Do you know anything about the specifications? What specifications would you want for dealing with rough weather What size of wave, 30 feet, 20 feet, something like that?

Rear Adm. LANDYMORE: The hydrofoil is being developed so it can operate, foil borne, in winds of about force five to seven. This means about a 15 foot sea.

Mr. CARTER: About 15 feet.

Rear Adm. LANDYMORE: Of course, they can also come down off their foils and just present themselves to the ocean as can any other ship.

Mr. CARTER: The reason I asked that is that there are hydrofoils in service in different parts of the world but apparently they are smooth water boats.

Rear Adm. LANDYMORE: Yes. We have small experimental hydrofoils the size of motor boats and which we are using at the present time. These have all been part of the initial development. This is a pretty large ship and when you see her you will see that it goes a long way between the pleasure craft or fair weather transport that is in use, commercially.

Mr. SMITH: It will be useful for protecting the seasick characteristics of sailors?

An hon. MEMBER: You had better not invite the Committee aboard.

Rear Adm. LANDYMORE: It will be much smoother to be foil borne. If they get seasick, it will rise on its foils and be steady.

Mr. CARTER: Do you feed your information and intelligence directly to NORAD?

Rear Adm. LANDYMORE: Not to NORAD, sir, to the headquarters for antisubmarine operations at Norfolk, Virginia.

Mr. CARTER: I see, and NORAD gets it from there.

Rear Adm. LANDYMORE: NORAD has nothing to do with it. It is the North American defence system.

Mr. CARTER: You said that sometimes there are around 800 Russian ships and they fluctuate sometimes from 300 up to 800. Are they really organized as a part of the Russian Soviet navy?

Rear Adm. LANDYMORE: No, not as a part of the navy, but they are organized as their duty is organized and they are centrally controlled from the U.S.S.R. In fact, when I used the expression "a para military force" I think that is the most accurate description I could give you of the way they are operated. I think it is perfectly reasonable to assume that the manpower would be reservists and, therefore, trained to a certain extent in naval operations.

Mr. CARTER: Do you have any information on the numbers of men these carry? Are they in excess of what would be required just for fishing?

Rear Adm. LANDYMORE: I do not think they carry anyone in excess of the numbers they require for fishing.

Mr. CARTER: When you say 20,000, then, a large proportion of these would be women?

Rear Adm. LANDYMORE: No, a very small proportion.

Mr. CARTER: Have you ever visualized in your military thinking—I am from Newfoundland and I am particularly interested in these because we see these ships

a few miles off shore and sometimes very close, especially in the winter and in the dark nights when there is not much around. Have you ever visualized in your military thinking that these might land a detachment to take over an airport like Gander or something like that?

Rear Adm. LANDYMORE: I think that in the event of hostilities, they will most certainly make a nuisance of themselves in that way, yes.

Mr. CARTER: In the last war, I think it was common knowledge that they used to come up our little inlets and get fresh water and charge their batteries and get refreshed, and probably land personnel.

Well, I do not want to take up too much of the time, Mr. Chairman. I have no further questions.

Mr. ROCK: I find that the Canadian navy is still keeping up to date in the modern day warfare. I have a few questions here, first of all, compared to the navy strength of the Axis powers during the last war, is the communist strength of their naval forces stronger than the allied naval forces?

Rear Adm. LANDYMORE: Well, certainly in numbers of submarines; they have the largest submarine fleet in the world. Other iron curtain countries have additional submarines which they could add to that holding. They are certainly not the strongest maritime power because the NATO nations in concert are much more powerful in maritime matters. Hence the fact that we can do so many of the things we do—when I say “we” I mean the United States and other countries, because they have, at the present time, control of the sea lines of communication.

Mr. ROCK: You mentioned the conversion of certain destroyers. What will be the difference after the conversion? In other words, what are the additions to the destroyers?

Rear Adm. LANDYMORE: The Restigouche's class conversion is mainly a conversion to put in two new Canadian designed sonars. One is a hull-mounted sonar; that means that it is built right underneath the keel of the ship and the second is a new variable depth sonar which means we can lower it and put it beneath the poor water conditions on the surface of the ocean and so there is no condition under which a silent submarine can evade detection.

In addition to that, in the Restigouche class, they are being given an anti-submarine rocket, called asrock. It is American equipment which is the latest in that type of equipment.

Mr. ROCK: What armaments has the *Provider*?

Rear Adm. LANDYMORE: None.

Mr. ROCK: No guns; nothing whatsoever?

Rear Adm. LANDYMORE: No.

Mr. ROCK: Have you any jet aircraft in the naval fleet?

Rear Adm. LANDYMORE: No.

Mr. ROCK: Have you any intentions, say, of demanding some jet aircraft in the future? Or is that not necessary for sea duty?

Rear Adm. LANDYMORE: I think it unlikely; this is a little outside my parish. Being a field commander, all I do is advise on requirements but if I were advising *today*, in answer to your question, I think it unlikely that we will attempt to get a jet aircraft suitable for flying from *Bonaventure* unless the circumstances of the current strategy change greatly. In other words, if there was a de-emphasizing of the antisubmarine requirement in due course, then it might be prudent to move into that field. But the *Bonaventure* is not large enough to do both jobs at once; that is, to provide a fighter force or a tactical support force and an antisubmarine force. She just does not have the deck space to do it. We would be good at nothing if we attempted to do that. However, if there is a de-emphasizing of the antisubmarine threat it might be prudent to obtain a jet aircraft for tactical support only. I think this has been very thoroughly and many times thrashed out in in Ottawa.

Mr. Rock: I noticed you had one named Jezebel and I am at a loss . . .

Rear Adm. LANDYMORE: That is a code word to embrace the low frequency sound detection methods.

Mr. Rock: What is the strength, navy-wise of Red China?

Rear Adm. LANDYMORE: They have a very small but growing navy; most of it is of the patrol craft type; gun boat type vessels, but they are gradually accumulating a few submarines.

Mr. Rock: Then navy-wise, they are no threat at all?

Rear Adm. LANDYMORE: Not by themselves.

Mr. MATHESON: Admiral, in comparing the presentation we had today with a presentation we received in the previous Parliament from the Chief of Naval Services, I tend to see an enormous emphasis on a specialty, a fighting capacity. Am I correct in thinking that within the navy, the senior service, there is, of course, some reluctance to this tendency toward unification of service? Would you be frank with us on that matter?

Rear Adm. LANDYMORE: Well, the answer to that is yes. I think there is a great reluctance on the part of the navy.

Mr. MATHESON: Is it love of tradition and love of the sea? Or does it actually go beyond that to tactics and strategy?

Rear Adm. LANDYMORE: I do not think it enters into the operational field. I think that generally navies are very close to one another and their way of doing things and their manner of presenting themselves and in their identity. If there is reluctance, and there is, it is due to that factor more than any other.

Mr. MATHESON: Yet it would appear that in the last year the navy has become a more efficient elite force and with obviously a great deal more confidence than we ever heard before, as to its primary task of fighting.

Rear Adm. LANDYMORE: I must not leave the impression that the navy is not very professionally minded. All our officers and men are real professionals and they eat, drink and sleep maritime warfare. It has only been in the past two or three years that all the results of all the efforts that have gone into maritime

development and experimentation in the past decade, say, are beginning to come into fruition. It was a result of our knowledge as early as 1952 that if we did not make a move we would never sink another submarine. Our men are oriented professionally very, very strongly and, of course, this brings them into close contact and a close way of thinking with other navies.

Mr. MATHESON: Now, Admiral, we, at least speaking for myself, have been very much impressed with what appears to be the leadership and the creativity of naval personnel in other areas of defence. Could you in any way assess what you think has been the enlargement of function of the really gifted navy man, beyond your own command? Are you in a position to assess it at all?

Rear Adm. LANDYMORE: I think there would be a good number of people who say I interfere with things that go on in other commands but actually I stick very closely to my parish. We are mainly concerned with the activities which I have described of antisubmarine warfare, sea and air rescue and sealift.

Mr. MATHESON: Thank you.

Mr. McNULTY: Admiral, you mentioned that the *Provider* showed a good deal of success up in the northern area of Norway when you had the task force up there. When we were on the *Provider* last there were a few kinks that they were worried about, and I am wondering if they were able to iron them out and just how successful was the *Provider*. Was it sufficiently successful that there will be additional *Providers*?

Rear Adm. LANDYMORE: All the kinks were ironed out. Some of them were in the design of equipment which failed under operational conditions and which have been redesigned. Now, the *Provider* is fully operational in every respect.

In answer to the second part of the question, as I showed, we are moving toward a design of ship which has a much greater sealift influence in its design so that, in fact, it has a dual purpose and there are two of those ships programmed.

The CHAIRMAN: I have one more supplementary from Mr. Carter and then Mr. Forrestall.

Mr. LAMBERT: To get back to your commitments for our own defences and our commitments toward NATO, are you required to keep a specified number of ships available and ready for service? If, so, how many?

Rear Adm. LANDYMORE: I am required to report to the Supreme Allied Commander how many ships I have available for NATO activities and the state they are in at all times. At the moment I am required to provide one aircraft carrier, 23 destroyer escorts of which SACLANT has been informed that three are in a state of reserve and five frigates.

Mr. LAMBERT: Has the specified number of ships and aircraft destined for these uses been at all reduced since, say, January 1, 1965?

Mr. HELLYER: It has, Mr. Lambert. We can get the figures for you, if you would like to have them. These commitments, the number of ships, as you know, are determined by the government in consultation with its NATO allies. They change as national tensions change.

Mr. LAMBERT: What I am concerned with actually is our role as part of the NATO complex in the antisubmarine warfare sector. We have a responsibility that has been assigned to us from time to time. Do we have the ships to fulfil that commitment as of today and, say projected to 1970, or is there going to be a shortfall in the commitment as now outlined?

Mr. HELLYER: I think the Admiral should answer that question on the basis of capability to patrol the area. This is the significant part of it, so far as this sector is concerned rather than the number of ships. Do you want to deal with that, Admiral?

Rear Adm. LANDYMORE: Yes, sir. If we take any period of time in which we are counting numbers of ships in relation to a NATO commitment, this must obviously take into account consideration that ships grow old and less effective and should not, for that reason, remain in service indefinitely. Therefore, any figure you might take through the 50's or through the 60's and try to number by number value one against the other, I think would lead to a very false picture of a NATO commitment or, in fact, the NATO support requirement. I think the best way to look at it is that as ships are kept in the modern state, and the ships we are building now being so much more expensive than some of the ships which were previously in our force, that it will never be possible, under the economics as I see them, to maintain number for number ships that have been allocated in the past. Therefore, what we have to assess in our own minds is whether the total effort that we are able to make, the total operational value of our force to NATO, is going downhill or whether it is going uphill. For my money, I would say that the force of ships that we have available now to offer NATO are infinitely more valuable than the larger number of ships which we offered to NATO in, say, in 1954. I do not see any way to add and subtract numbers and come up with an answer on a NATO commitment.

Mr. LAMBERT: The NATO commitment would be processed to numbers of ships and effectiveness because there is a task. Whether you accomplish the task by a lesser number of ships with greater effectiveness, I suppose is really immaterial; but what I am getting at, and this follows what seemed to be some observations made at the time of the visit to SACLANT that there could conceivably be a shortfall by Canada in accomplishing the commitment that it would have to undertake by 1972. This involves not only your present ships, their technical effectiveness, the personnel that we have, but also the question of replacements and when they are going to come into operation.

Mr. HELLYER: Mr. Lambert, the commitment is in numbers of ships and units and brigades, and so on; but the important thing is to keep the military capability and I think, all too often, we have tended to fool ourselves in putting the emphasis on numbers rather than on capability. Take another example in the same area, that we have for many years committed to provide the balance of a division to NATO in Europe. But we did not have the equipment for it. Therefore, the commitment was there but the capability was not. In my book, the important thing is the military effectiveness of the contribution that you are making and the ability of the military units to carry out their tasks.

Mr. LAMBERT: All right. I will follow on with that. Are you satisfied that we will fully carry out our commitments in so far as effectiveness, the commitments, say, to 1972, are concerned?

Rear Adm. LANDYMORE: The answer to that is yes, I am well satisfied.

Mr. LAMBERT: On the basis of the number of ships we have now, our personnel and our replacement ships. I am asking this to see whether there should be, as far as this Committee is concerned, an opinion that there should be an increase in a particular sector, either personnel or ships.

Mr. HELLYER: The Admiral has already indicated that we have to recruit enough personnel to man the ships. This is very important but so far as the ships that we do have programmed through to early 1975 are concerned, and this has been set and was explained to you last year and is recorded in the evidence, and it would be very difficult to alter this significantly at this moment during our time-frame, anyway. This will give the Canadian maritime force a very considerable antisubmarine capability, as the Admiral very clearly pointed out to us today.

Mr. LAMBERT: Yes, but what I am also concerned about is that in the past 18 months we have also had, and the Admiral indicated there was a shortage of personnel. Now, the shortage of trained personnel reduces your effectiveness.

Mr. HELLYER: This is true.

Mr. LAMBERT: This is one of the points about which I am concerned. If we have a continuing situation as far as personnel is concerned, this being a regrettable bleed-out of technical personnel in the navy, we will not be able to meet the quite acceptable degree of effectiveness that has been.

Mr. HELLYER: Mr. Lambert, it is axiomatic to the extent that we are unable to recruit and maintain the people required for the units that we would not be as efficient as we would be otherwise. That is the reason we are putting more effort in that direction.

Mr. LAMBERT: Now, leading on from there, you mentioned, Admiral, that we were short of personnel. If you had the full complement of personnel that you wanted, how many more ships could you have in service?

Mr. HELLYER: You showed the number in reserve, Admiral, so that the ones in reserve could be manned. I think that one additional point should be made, however, and that is in respect to the world war II frigates, the plan is pay those off because, and I am sure the Admiral will agree with this and, in fact, I know he has, they have reached a stage where the effectiveness that they provide to the force is so marginal that those resources can be better used in other areas.

Mr. SMITH: May I ask a supplementary to Mr. Lambert's question? If his question was changed and the operative word was made from "could" to "would" how many ships would you have, how many ships would be desirable to have in service with additional personnel?

Rear Adm. LANDYMORE: We would want to have in service the 23 destroyer type ships we have; the deep draft ships, the *Bonaventure*, *Provider*, *Cape Scott* and *Cape Breton*, the two repair ships and five frigates.

Mr. SMITH: How many extra men would you need to do that?

Rear Adm. LANDYMORE: We would need to recruit, in the next 12 months, 2,600 men, to come up to that requirement. And that same number, if it could be

obtained and maintained, would meet all the new construction requirements and commitments that we see ahead. We expect to get about half that number during the next 12 month period, maybe a little better than that if our recruiting becomes more successful.

Mr. SMITH: May I ask another supplementary at this point? I suppose the difficulty in getting this is that you need a higher trained or a higher trainable class of recruit with the more sophisticated equipment that is being used all the time. Is that so?

Mr. LANDYMORE: It is desirable to have better educated young men to do this, but if we cannot get them, by and large our training methods will allow us to get a satisfactory number of skilful men from a rather large number of recruits. The others will be put in areas where technical skills are less demanding.

Mr. SMITH: If they are trainable there is more advantage for them to stay in civilian life, paywise?

Rear Adm. LANDYMORE: I would hope that would be the case, that they would be as well paid and as well looked after certainly as people in civilian life.

Mr. SMITH: The pay is a factor, though, in recruiting.

Mr. HELLYER: It is probably because of the way it was put that it was more attractive that you would hope it would be possible. Anyway, we will take a look at it.

Mr. SMITH: I think you understand the point that the Admiral and I were trying to bring out.

Mr. LAMBERT: How many ships in the Maritime Command, or that were turned over to you from Maritime Command, have been laid up since January 1, 1965?

Rear Adm. LANDYMORE: Eight frigates, I think, all in all, have been laid up since January 1, 1965.

Mr. LAMBERT: And how many more projected in the paying off?

Rear Adm. LANDYMORE: Over the course of the next, say, a year, this will depend entirely on the manpower situation. If we get the numbers we need, we will put the full quota of ships in commission; if we do not get the numbers we need, we will have to put as many as we can in commission.

Mr. LAMBERT: The ships themselves are still valuable in themselves. It is a question of personnel.

Rear Adm. LANDYMORE: The ones we are retaining will be valuable; the ones being declared surplus, we consider have no further operational value.

Mr. LAMBERT: Can you indicate the reasons why the eight ships have been laid up?

Rear Adm. LANDYMORE: Partly through personnel shortages; partly because of a lack of effectiveness operationally and we only need the older ships for training purposes.

Mr. LAMBERT: I have a number of other questions but I will yield to others who may want to ask some.

Mr. BREWIN: Admiral, I just want to see if I understood correctly that there has been quite a dramatic change in the situation because as I recall it, I think it was Admiral Rayner who told us, about two years ago in this same committee, that the nuclear powered submarines, either by reason of their speed or depth, or something of this sort, were not detectable and, therefore, were to a certain degree invulnerable. Now, as I understand you today, technical developments have changed that situation, and whether they are nuclear powered or otherwise, they are capable of detection and being destroyed. Am I right about that?

Rear Adm. LANDYMORE: Yes; I think that when Admiral Rayner spoke to you the knowledge of the U.S.S.R. submarines was pretty scanty. Now, I think that when Admiral Rayner spoke to you, he was governed by two factors. One, that no one had a really accurate knowledge of how detectable Russian submarines were, so he was tempted, of course, to lean on the abilities of the U.S. and British type submarines at that time. But, also, as you will remember, Admiral Rayner's briefing was not in camera; he was very reluctant to discuss any factors which were not purely Canadian factors. In other words, he did not wish to state publicly the ability of the United States or Britain to deal with anything. It was partly for that reason that I prepared the in camera sessions, so that you could be given a factual picture of the state of affairs today. My sympathies, in other words, lie a little bit with Admiral Rayner under those particular circumstances and had I been speaking this morning publicly, a very few of the things that were said could have been said.

Mr. BREWIN: In most other fields of technological development they have been behind but they have succeeded in catching up. Apparently, they have not done this as yet, in this question of...

Rear Adm. LANDYMORE: I am not suggesting...

Mr. BREWIN: ... in this question of detectability of nuclear powered submarines.

Rear Adm. LANDYMORE: I am not suggesting that they do not have the capacity to eventually catch up, but at the present time both their nuclear and diesel boats are vastly inferior to our own.

Mr. BREWIN: There is just one other point in which I am interested. How does the time factor come in this if you can detect and presumably destroy submarines stationed around the American coast or in the ocean? Is this a question of time? Does this envisage a war that would stretch out for a certain amount of time while you had time to detect and destroy these submarines? In other words, I am trying to find out if these Russian nuclear armed submarines have a surprise potentiality before they can be dealt with?

Rear Adm. LANDYMORE: Yes, they still have a surprise potential, provided that they are prepared to travel through the oceans at very low speed, when they emit only a very small amount of noise.

Mr. BREWIN: As I understand it, would this be a question of time? Suppose you became aware of a great deal of tension, and intelligence indicated that they were going to launch a large scale attack on North America, could they be destroyed

quickly or is this capability of destruction a matter of an extended campaign such as we knew in previous wars?

Rear Adm. LANDYMORE: I think the western nations under this circumstance, if we act quickly enough and decide that they should be destroyed early enough, can react ourselves quickly enough to do the job. If there is any reluctance on the part of anybody to shoot at anything, then they will move into their deployed areas and extend our forces so that it would take us much longer.

Mr. BREWIN: Thank you very much.

Mr. STEFANSON: I think I understood you to say you felt that our role should be changed from a defensive one to an offensive one. I gathered you were talking about the North Sea, and so on, at the time? Do you feel that we have adequate defence against the nuclear submarine, and that actually we should move into the offensive role in the North Sea?

Rear Adm. LANDYMORE: I think the best way to answer that is to say that our capabilities lead us to believe that we would be wise not to commit all our forces to a close-in defence of North America, for example; that it will be much less fruitful than having our forces in areas where the submarines are moving to get into position and, of course, to get them under control before they reach our area. Of course, this gives us the advantage that we are working in smaller areas and will so require fewer forces to do the job.

Now, when I said that we shifted from a defensive to an offensive strategy, I might have been saying that for say, SACLANT, so that instead of having all his commanders tied down to small areas of the ocean, we would enlarge and have one head of forward strategy in which all the NATO nations could apply their forces under, perhaps, one command and thus make our whole effort far more effective, and incidentally, at the same time, give our own country a better defence.

Mr. STEFANSON: That is all, thank you.

The CHAIRMAN: We have some more questioners on the Committee but we will leave with us today Mr. McCleave and Mr. Forrestall, and I assume before we go into the second round, you would like me to ask them if they would continue with their questioning.

Mr. FORRESTALL: Admiral, most of the areas that I wanted to get into have been pretty well covered but I will touch on two areas that are certainly anything but classical. I recognize that in doing so I am asking you to answer questions that are a matter of opinion and that perhaps you might not wish to answer them.

Mr. HELLYER: I think the rules are fairly clear on this, that if there are political implications or they are questions . . .

Mr. FORRESTALL: There are no political implications at all, but capability implications.

I am interested first of all, Admiral and Mr. Hellyer, about the capability of our defence at Halifax to, first of all, sustain the operation of your undertaking and commitments in the event there is extensive labour trouble there during the next two or three months. What will happen to our position, both within our NATO commitments and otherwise, if we have a serious labour situation develop?

Rear Adm. LANDYMORE: If our dockyard in Halifax halts its operation, we will be unable to carry out any running repairs on our operational ships and we can only, in part, get the necessary degree of support from civilian contractors. In effect, while we would undoubtedly within the navy itself use the fullest extent of our own technical resources to keep the ships going, it would have a very serious effect on our ability to perform effectively operationally.

Mr. FORRESTALL: Thank you, Admiral. Now, I will switch again quite abruptly and go on to service housing, particularly in the Halifax area, but I think the area that I would like you to comment on, if you would, is general and is applicable to service housing everywhere, although there are particular maritime connotations to it. It has been suggested that it might be useful, in terms of morale and in terms of social implications, if service families were not contained in groups, or in group housing or in isolated areas, particularly where they are located in urban complexes, like Halifax and Dartmouth; that it might be better, indeed, if they were shotgunned, I think is one expression, throughout the community. Are there serious implications against spreading housing, for example, or shifting an emphasis on housing and utilizing the urban complex services? I am thinking, specifically, of many subdivisions that surround urban areas and the utilization of these subdivisions for a specified number of units as opposed to keeping them all together in complexes like Shannon Park and Wallace Heights and Shearwater.

Rear Adm. LANDYMORE: There are probably two aspects of that question which should be dealt with. As far as I am personally concerned, I would not recommend putting naval families into housing interspersed by duplex or single units throughout the community. In my opinion, it is very much better to have groups of houses and keep the naval community, if one can, in not too large groups but in, say, units of from 50 to 200 and that sort of order.

Of course, the reason for that is the husbands are away so often and at so long a stretch, that the younger wives get terribly lonely and upset and become fairly serious welfare problems in many cases. By keeping our community as a community, then they support one another. In other words, when the husbands are away the wives can get together and make their own social life and so they do not get as lonely. This is part of the thing, but when you do have problems and when they are centralized that way, our own organization is much better able to deal with them. Moreover, if there are problems, neighbour to neighbour, they are naval neighbours to naval neighbours and it keeps our problem away from the civic means of dealing with matters, so that we can react very quickly, and we wish to react very quickly, because as soon as there is the slightest bit of trouble, the word gets out to the husbands at sea and then they get upset.

The second part of this, of course, is the maintenance of housing. If it is interspersed in a community it would be a much greater drain on our resources than if we have communities the way we are now planning to put in our housing. However, I would agree with you that a very large development like Shannon Park and Wallace Heights, which is one very large development in the Dartmouth area where we house over 1,000 families, those types of areas have no family amenities; they rely on the urban area to give them the necessary things to keep their children interested, and so on, we run into great difficulty.

Where we do have large developments, we must have the amenities with them so that there can be a family life without moving too far out of the area, largely

because of small children. What we do now, is this, for example, at Shannon Park and Wallace Heights, in this past year and a half, we have built a swimming pool which will be opened this summer; we have built a recreation building—a lot of this is done by their own funds assisted by public funds—we have put in some 13 playgrounds for the very small children in play areas so they do not get very far from home, where their mothers can keep an eye on them. Of course, we have always had schools and churches there. But what we are trying to do is build within the community itself a community life and these amenities we are now giving them will change the whole aspect of Shannon Park and Wallace Heights into a community where I think the sailors will be very happy to live. But we have been very slow in reacting to this type of thing. It is only now that we are seeing the fallacy in trying to make the urban area support, for recreation and so on, such large housing developments.

Mr. FORRESTALL: This might then indicate not so much a change of policy or a tendency toward a change of policy but perhaps a greater awareness of the sociological problems, for example, of this general area of consideration.

One final question, Admiral, I am curious about the effect on your resource, your dollars and cents resource, of constant increases of cost of labour and materials and so on and so forth. Perhaps this should be directed to the minister. In the *White Paper*, as I understood it, it was the intention to curtail certain expenditures in the hope that the money realized from certain measures of economy could be diverted to newer and more up-dated equipment. I am wondering whether or not, in fact, this has proven to be true or whether, in fact, increasing material and labour costs, and so on, have eaten into these hoped for savings with the result that you do not have the dollars and cents for the new and more modern equipment.

Mr. HELLYER: The forecast for this year shows a very significant improvement and a very large increase in capital accounts. Having said that, however, I think you will appreciate the problems that we face in the future, if we have to make substantial increases in pay and allowances in order to compete with the civilian market. This will pose a continuing problem for us unless we can obtain more money, a higher ceiling to offset the increased costs of labour, both on the civil and military sides.

Mr. FORRESTALL: In other words, Mr. Hellyer, if I may ask you quite bluntly, you are not at all overjoyed with the—perhaps I should put it another way. There are savings but you are not overjoyed about what is happening to those savings?

Mr. HELLYER: You have put it very well. We have made the savings and there are some more to be made but these savings can be eaten up in a very short time through increased costs unless we can get enough extra money to offset the devaluation of purchasing power.

Mr. FORRESTALL: Thank you, Mr. Hellyer.

Mr. LAMBERT: I have a question and this deals not only with Halifax but with Esquimalt; I mean, this deals with our dockyards.

Making due allowances for the increase in the cost of labour and materials, do you find that there has been either a decrease, or a status quo, or an increase in the efficiency of the yards?

Mr. CARTER: Productivity?

Mr. LAMBERT: Yes, you might say productivity, so that in essence the yards are actually costing you more than is occasioned by the increase in cost of materials and labour?

Rear Adm. LANDYMORE: Well, Mr. Lambert, I should point out, first of all, that the dockyards, both in Esquimalt and in Halifax, are not my responsibility; they are only responsive to my requirement. They deal with another command which is Materiel Command, but I have had a lot of experience working with both dockyards.

The west coast dockyard is particularly productive; it has a very stable work force; a very skilful people with a very good plant, an up to date plant to operate. I do not think one would find any shipyard anywhere any more—in fact most of them would be far less-effective than the dockyards at Esquimalt.

The dockyard in Halifax measures up well to any other Canadian shipyard and we use their estimates of cost; in fact, every job that is done by civilian dockyards is costed, based on the knowledge of what it would cost in our own dockyard to do the work, in order to get a measure of what would be a reasonable price in other yards. So, I think in general answer to your question, I can say that our dockyards are a measure for the shipyards of Canada in productivity.

Mr. LAMBERT: Do you see the maintenance of this position, or do you find you could look for or hope for an increase in the productivity of both of the dockyards.

Rear Adm. LANDYMORE: I do not know whether one could say one could positively expect an increase in productivity. The people who operate the dockyards are constantly looking for areas to make their yards more productive, and it is only in the last few years, since we have introduced all the modern management engineering techniques that we are able to measure our productivity. Now we are getting into the area where we can see how we can be more effective and we do actually measure the output of the individuals in the yard.

Mr. LAMBERT: Pinning it down to Halifax, would Halifax require a modest or an extensive reorganization or re-equipment in so far as plant and equipment are concerned in order to maintain this position?

Rear Adm. LANDYMORE: No. The government has been very conscious of the need to keep any kind of industrial plant, as far as the navy is concerned, in the best possible state of equipment availability and the best types of equipment, so the dockyards are well supplied with the right kind of equipment to do their work. As more modern machines come into effect, they do replace the older equipment in the yards. Both plants are excellent.

Mr. McCLEAVE: Mr. Chairman, I was intrigued by the Admiral's discourse earlier by the fact that reported submarine sightings in the 1950's turned out to be largely false. I wonder if there is an explanation on that?

Rear Adm. LANDYMORE: We were relying in the early fifties, Mr. McCleave, on the reports that came from ships at sea; from aircraft of a commercial type flying over the sea; from people looking out of their summer cottage windows at the sea and seeing things, and while we attempted to investigate some of those which appeared to be more reliable, generally speaking, by the time the information reached our various headquarters, it was too late to assess whether or not anything had been seen or not.

These kinds of reports varied from a Newfoundland fisherman, with all due respect, sir, who had too much rum on Friday night to quite well trained observers in merchant ships and aircraft. It is very easy to be deceived in what you see at sea and it requires quite a lot of expert knowledge to determine when you have seen a submarine and, say, from 20,000 feet, a submarine and a whale can be confused with one another and this sort of thing. So because we were unable to validate reports, we had to accept that there was some possibility or some element of possible truth or fact in them.

Mr. CARTER: Following along that line for a minute, are you still getting these reports that are not reliable?

Rear Adm. LANDYMORE: Yes, sir. I think the Newfoundland fishermen who make them are being very good Canadians and doing what they think is right but sometimes their imaginations go a little far.

Mr. CARTER: Our speaker is getting weaker.

Mr. McCLEAVE: I suppose you are still getting reports of sightings from Newfoundland, and what not, and upon checking them find they are just not so, then you are able to go back and use this as a yardstick on the 1950's so-called sightings.

Rear Adm. LANDYMORE: Yes.

Mr. CARTER: Admiral, you did not mention anything about minelaying or mine-sweeping this morning. Have we discarded these roles? Have they gone out of date?

Rear Adm. LANDYMORE: Not entirely. We still train men in mine clearance which is, in fact, a diving type operation. Our argument, of course, is that to mount an effective mining offensive requires a very long period of time. We feel as far as the maritime forces are concerned that we should concentrate on those matters which are of immediate threat to our security, and if a mining offensive, of course, did develop in a time of emergency, we would have to react and do something about it. We would, of course, like to have enough men and enough ships to keep the ~~submarine~~ fully alive and since we do not have them, we must do first things first. But we are still keeping our clearance divers trained.

Mr. ROCK: With a mine laying—

Rear Adm. LANDYMORE: We have no capacity to lay mines.

Mr. CARTER: Do we only have two submarines, now?

Rear Adm. LANDYMORE: At the moment, we have two.

Mr. CARTER: And we have two on order?

Rear Adm. LANDYMORE: Yes.

Mr. CARTER: Apart from naval training, what roles do we envisage for these submarines? Are they killer submarines?

Rear Adm. LANDYMORE: Yes, they can be used in an antishipping or in an antisubmarine role.

Now I have to answer your question properly I should say that while I spoke about vehicles independent of one another, each vehicle has

limitations. An aircraft by itself, under some circumstances, is not fully effective; a ship by itself is not fully effective; nor is a submarine by itself fully effective in the antisubmarine role. But if we can put two of these elements together in a group to fight the submarines, we so reduce his ability to operate fully tactically that we become much more effective. So, going back to your question about submarines, I will use a submarine in a group effort with ships and aircraft wherever it is possible to do so; this being the so-called perfect antisubmarine team. This denies the submarine that you are fighting of any opportunity to move without creating conditions where he prejudices his own security.

Mr. CARTER: What are we relying on at the moment mainly to destroy submarines, a missile delivered from the air, or from a ship?

Rear Adm. LANDYMORE: Both our ships and aircraft have homing torpedoes and both our ships and aircraft have high explosive weapons.

Mr. CARTER: Are they of the same type?

Rear Adm. LANDYMORE: The torpedoes are roughly the same type but, of course, the high explosive elements are varied because the one dropped from an aircraft is considerably different from those fired from a mortar or a shell.

Mr. CARTER: I mean, do they have the same capability of destruction?

Rear Adm. LANDYMORE: Oh, yes. We have maintained all along that none of our vehicles should not have both protection and attack capabilities.

The CHAIRMAN: We have three more questioners, Mr. Rock, Mr. Lambert and Mr. Matheson. I hope I have not missed anyone.

Mr. LAMBERT: You mentioned the roles that you are now carrying out. There was no mention there of a potential role, and I was wondering whether it had been discarded entirely, and that was the matter of escort duty. Has that been put aside as being entirely impractical, because of the concept of nuclear warfare, or just what is the status of, shall we say, the task of escort duty?

Rear Adm. LANDYMORE: I deliberately avoided the use of the word convoy during our briefing because, I think, that immediately conjures up in the mind of any listener, a world war II situation which I wanted to avoid. I wanted to leave you with the impression that your antisubmarine forces are forward looking and so on.

We still exercise in the convoy technique although our methods for protection of convoys are in line now with the much improved methods of detection that we have and, therefore, while the ships in convoy will be formed in a state so that they could be manoeuvred and directed through waters where there was less likelihood of submarines attacking them, when our defences would be, perhaps, a long way away from the group to take advantage of the modern types of equipment we have. So, in a specific answer to your question, we still believe that convoying, at some stage, might be a necessary evil and that we would be required to devote some of our antisubmarine effort to the protection of convoys. But the convoys themselves and the way we would protect them, would be a very different looking proposition from the ones we had in world war II.

Mr. LAMBERT: In other words, you conceive the escort duty to be part of your antisubmarine role not something absolutely separate? The two have been meshed in. Are you satisfied, with what force you have, that you are able to meet this potential requirement?

Rear Adm. LANDYMORE: Yes; the ships and aircraft, and the detection devices we have, are just as effective in the open ocean areas or in the protection of convoys. So there is no question about our ships and aircraft being suitable for that particular role, should we have to perform it.

Mr. LAMBERT: Would there have to be a diminution of the high standard of antisubmarine or high intensity of antisubmarine warfare if you had to take on a degree of responsibility for escort duty?

Rear Adm. LANDYMORE: Well, of course. If we are trying to do two things at once; that is, a defence in the open areas, or an offensive operation in the open areas, we have to dilute our forces to protect convoys, both sides of the house would suffer; but it is unlikely that this is the way things will transpire. In the earlier stages of an emergency our first role would be to clear the high seas of shipping, temporarily, so that we could devote ourselves to a purely offensive operation, with little or no interference from merchant shipping. Then, at some later time, when we had the submarine menace threat under control and it was then prudent to move materials and ships, we would, of course, divert some of our effort to the protection of the shipping.

Mr. LAMBERT: This arises from the evolution of the Mobile Command and obviously Mobile Command cannot be supplied entirely by non-sea sources and, therefore, you are responsible for that portion. Shall we say, the heavy supplies, would certainly come within your parish, as you said. To that degree, we would require naval supply and possible naval escort, and it is for that reason I was wondering how flexible you can be to move into this additional role?

Rear Adm. LANDYMORE: We are fully flexible to make the move. It is just a question of measuring up which is the most critical task to be performed. I think if you visualize an emergency requiring our mobile forces to be taken abroad somewhere where they would require support, I do not think that this would be all that immediate.

Mr. LAMBERT: As a matter of fact, the Chief of Mobile Command indicated that he could conceive of certain situations where he would have to use as his headquarters a ship and that the ship itself cannot stand in isolation. It seems to me that there is an assumption that you will have resources within your command which will in the general battle plan or plan of operations, take some of your resources and commit them to the operations of Mobile Command. Naturally, this would be done from what is available to you for your antisubmarine warfare work. I am wondering just how tight we are.

Rear Adm. LANDYMORE: I think in this context the Commander of Mobile Command would be thinking primarily of peacekeeping operations. For example, we could have committed the Commandant of Cyprus to act as a headquarters for all our forces until such time as they are firmly established ashore. Our mobile forces would have looked after their vehicles until they had facilities set up ashore and the Commandant could have supplied them with the necessary fuels, lubricants,

food, clothing, and so on, that they needed for their task until they were established. In this way it would not interfere with what I am doing from day to day.

Mr. LAMBERT: This leads to another question with regard to the use of *Provider* and the two supply ships that you have projected. When will they be available for operation?

Rear Adm. LANDYMORE: I would hope that both of them would be completed by 1969.

Mr. LAMBERT: I see, and available for operations?

Rear Adm. LANDYMORE: Yes.

Mr. LAMBERT: If they are used for Mobile Command sealift purposes, how does this affect the maintenance of your own supplies? The *Provider*, for instance, is really a fleet supply ship. Now, if they are used for naval sealift for Mobile Command fairly extensively, how would this affect you with regard to your own operations?

Rear Adm. LANDYMORE: Our own operations would have to give way if it is more important to the mobile operation. We had an example of this. I had the fleet in South America this winter at the time the army required a sealift for Winter Express. So the *Provider* was withdrawn from the naval exercising and naval operations in order to lift the army on that occasion.

Mr. LAMBERT: To what degree was your naval training or naval operation or naval exercise affected by that?

Rear Adm. LANDYMORE: Well, while she was away, of course, it was seriously affected but we had to have the *Provider* with the fleet for a sufficient length of time so that we could concentrate on exercises with her until she was released. But the final effect was not a serious one, but where you have only one ship and two jobs, somebody is obviously going to suffer.

Mr. LAMBERT: Under peacetime training operations, of course, you can plan for this but under hostilities or periods of tension, this may not be so.

Rear Adm. LANDYMORE: Under periods of tension, it would be very foolish to organize at once, an immediate sea supply for any kind of force unless you were certain that the waters they were going to pass through gave them a reasonable chance to get to the far end. Now, thinking of what I said about the Norwegian Sea, obviously the strategical setting for Winter Express would not make very much sense to pass the *Provider* through a submarine area containing 56 submarines, until we had that threat under control. One does not envisage a situation where we will not be very prudent. There is not much point in putting a mobile force on the ground if they do not have any equipment with which to fight and so you have to select your time when it is feasible to supply them and support them.

Mr. LAMBERT: This might affect, also, Mobile Command.

Rear Adm. LANDYMORE: Very much so. In the other context, Mobile Command will have tactical aircraft which at the opening of hostilities I might require, for example, to take care of the trawler business and it would, once again, be a tug between my requirements and Mobile Command requirements and the more

important task would be looked after or, if they are of equal importance, we would have to split our resources.

Mr. LAMBERT: When you said that Mobile Command would have tactical aircraft, you are not speaking of the CF5 there, are you?

Rear Adm. LANDYMORE: Indeed, I am.

Mr. LAMBERT: For use against trawlers?

Rear Adm. LANDYMORE: Very much so.

Mr. LAMBERT: Very close in?

Rear Adm. LANDYMORE: Well, fairly close in, yes.

Mr. LAMBERT: They do not have that range of operation.

Rear Adm. LANDYMORE: Oh, no; they have a sufficient range of operation to take care of the close in trawler activities and our other aircraft will take care of the farther away trawler activities.

The CHAIRMAN: Gentlemen, I have my eye on the clock.

Mr. Rock: Admiral, to go back to that Russian fishing fleet and its ships which contain a lot of technical detecting equipment, in case of a war, is your navy prepared to immediately capture this threat itself?

Rear Adm. LANDYMORE: Well, within the numbers of ships and aircraft we have, we would control the threat the best way we could control it. I do not think we would have time to take too much time out for capture; I think we would have to destroy first.

Mr. Rock: Yes, I can understand that.

I would like to come back to the question of recruiting. I notice in the estimates that we need \$175,000 for the Royal Canadian Sea Cadets. I would like to know from you whether we do get a lot of recruits from the Sea Cadet movement.

Rear Adm. LANDYMORE: Yes; we get a large number of recruits. But I think that somebody from the headquarters part of the organization should deal with that question because I do not normally deal with recruiting figures at all.

Mr. Rock: What I would like to know, Admiral, is would it be better if the navy itself ran certain cadet units in major parts of Canada like Toronto, Montreal, Quebec City and Vancouver, where you would be able to give the cadets better and more interesting equipment than they have at this moment, which would interest them more technically by using certain small craft rather than the row-boats that they usually have to use?

Rear Adm. LANDYMORE: I think we have to bear in mind that cadet training is not a military form of training. It is citizenship training, something that, I think, should be monitored by the civilian population. They do not need any kind of technical equipment to get the kind of training you want to give them, so as far as Sea Cadets and Navy League Cadets are concerned, provided they have small boats and sailboats they have a form of recreation which is very good training for them and makes them resourceful, and so on. But I do not think it is something

for National Defence and certainly not something in which the navy should get closely involved.

Mr. Rock: Compared to the Air Cadets and the Army Cadets, they seem to have better equipment and the Air Cadets seem to have the use of the Air Force bases in the area. They seem to get better training than the Sea Cadets do and I am wondering whether there should not be an effort made in letting them have, say, more naval equipment rather than the sailboat itself.

Rear Adm. LANDYMORE: The places where we have naval equipment across the country are naval establishments. It is very limited.

Mr. Rock: Yes, but you have some surpluses sometimes which, say, are sold rather than possibly transferred to naval cadets in different areas.

Rear Adm. LANDYMORE: I think the department is very careful that when we have things which are useful to organizations of this sort, we make it known that it is available.

Mr. Rock: Also, the Sea Cadets throughout Canada usually seem to have difficulty in obtaining sometimes certain equipment from the navy. They have to go through the Crown Assets Corporation. They usually have a difficult time in obtaining it. Would it not possibly be better if the navy, when they have surplus, were to donate directly to certain Sea Cadet and Sea Scout troops in different parts of Canada, certain equipment rather than the troops having to find the money to buy it through Crown Assets?

Rear Adm. LANDYMORE: I am afraid I am ducking this question because I am really not qualified to answer it. This is a matter that is dealt with entirely by headquarters and Materiel Command. It does not come under the jurisdiction of my command but I was not personally aware that any of the corps had any serious difficulty in getting their needs. I see quite a lot of the Navy League people and of the Sea Cadets and I have never had this brought to my attention.

Mr. Rock: I was referring more to the Sea Scouts.

Rear Adm. LANDYMORE: We are very co-operative in helping them, in taking them to sea and making facilities available to them in the local areas; we do quite a lot for the Navy League, the Sea Cadets and the Sea Scouts.

Mr. Rock: Thank you.

Mr. MATHESON: Admiral, I have been advised by the Chairman to keep this short. I want to ask maybe one or two questions rather than a series.

I would like to preface my questions in this way that I have the debates attending the 1909 naval bill, and I am fairly familiar, as a child, with the kind of complex that Canada had along with British vessels like the *Hood*, the *Repulse*, and the *Renown*, pre world war II, and I recall at P.R.U. about 25 years ago, the kind of threat that we had with the *Graf Spee* and the Hibbart classes, the *Prince Eugen* and *Schoenhorst* and the *Bismarck* and that type of thing. Now, in what you produced for us today, do I gather that the nature of the sea threat is radically changed from that of world war II; that essentially this kind of engagement between battleships or battle cruisers and so on is not the order of the day?

Rear Adm. LANDYMORE: No. The thing has changed radically.

Mr. MATHESON: Therefore, when you are talking about Canada's role you are not only talking about a tiny part in a larger alliance role but you are thinking of a major part in sea engagements anywhere?

Rear Adm. LANDYMORE: Yes.

Mr. MATHESON: Thank you.

The CHAIRMAN: That was very short, Mr. Matheson.

Mr. LAMBERT: This is a question that is one of considerable concern in the communications media and certainly is discussed a great deal more around here, and that is the question of morale, whether there is a satisfactory degree of morale and my question is, to put it bluntly: are you satisfied with the degree of morale in the men in your command?

Rear Adm. LANDYMORE: I will answer that question in two ways. First of all, by morale in an operational command, one means the ability to order ships and aircraft to enjoin an action in expectation that the officers and men will conduct themselves courageously and with a great sense of purpose. In this sense, so far as my command is concerned, I can order them to sea or in the air at any time and I would expect them to acquit themselves with the greatest possible sense of purpose.

On the other hand, I think, at the moment, because we are in a state of wondering what the forces are going to look like in a year's time or so, there is a great deal of unrest amongst the officers and quite a number of the senior men. To this sense, I would have said the morale is bad. I think this reflects in engagement rates and the attitude of officers to their careers and so on. I am sure this will be straightened out in due course and we will be informed of what the nature of the force is going to be and that will solve the problem.

Mr. LAMBERT: There is a great date, October 1, and it looms large in the minds of a lot of people. Now, this is a question that you can answer if you want to; there is no difficulty. Given a free hand—and I say this because I am very concerned about this sort of uneasiness and the bleeding-out within our forces—what can be done, what would you do, what you recommend that we do, to restore the morale of a lot of servicemen who have shown this uneasiness and this uncertainty? I will leave you free whether you want to answer, but I am asking for help here.

The CHAIRMAN: How do you spell it?

Mr. LAMBERT: After all, I am relying on your experience and your position within your command. I have asked this of other commands.

Rear Adm. LANDYMORE: I think the first and most important thing is to clarify the definition of morale and to indicate to the officers and men of my command, at any rate, exactly what the force is going to look like; what kind of careers people are going to have in it. After all, service people are career people and their careers mean more to them, perhaps, than the money or other things. I know that it takes time to clarify these points. This is what is going on now, but I am sure

that that is—other than the economic factors and the other factors that always play a part in these things—the most important matter that has to be settled.

Mr. LAMBERT: Does the one uniform come into this? One may say that this is a niggly thing and the Minister knows I am concerned about this and perhaps it is one of those undefinable things. But there have been contradictory statements with regard to whether they are going into one uniform; this affects certain types of servicemen far more than others, and it is part of morale and esprit de corps. Here again, is this a problem with your people? Are there any suggestions as to, yes, this can be done, and in what way, or is this too soon?

Rear Adm. LANDYMORE: Identity is a most important factor as far as servicemen are concerned. Their uniforms are important to them; the designators for their ships and their air squadrons are important to them and it is on this that we do build a fighting force. The problem, as I see it, in making a change is that, I for one, for example, have been directed throughout my career to imbue in my forces or the men under my command, a very strong pride of uniform. The difficulty, as far as naval people are concerned, at any rate, is to re-orient one's thinking and to say to oneself, "well, I have failed in the task of making my men fiercely proud of their uniform." If I failed in that, then it would be easy to make a change to something else. But, personally, I do not think we have failed and, therefore, I think the transition, if there is to be a transition to a single identity for all three forces, will be a difficult transition. I do not think anybody is under any illusions about this.

Mr. LAMBERT: Possibly some of the difficulty lies in the success that commanders have had in giving their personnel a fierce pride in their own uniform in the same way that in a regiment, the difference between a highland regiment and a light infantry regiment. They have an absolute pride and anything that will detract from it is something that is resented.

Mr. ROCK: Admiral, when you mentioned concern amongst your officers, you did not mention the men themselves as far as the uniform is concerned and yet the summer uniform of the army, the air force and the navy is practically the same. Therefore, there you have had an integration, more or less, except for badges of a uniform. Now, it is only in the wintertime that you go on different tangents, as far as uniforms are concerned,—navy blue, the air force blue and the khaki—but in the summertime you have more or less an integration anyway. This only happened during the last war; from the white you went into the khaki. What concern was there at that time? I think that the men were very happy to be out of the white uniforms into the khaki uniforms. I do not see where the concern is amongst the officers, and you mentioned only the officers, you did not mention the men.

Rear Adm. LANDYMORE: I do not think it would be proper for me to get into a form of argument about this. If you were to go to the Chief Petty Officers' Mess in Halifax and ask them whether they like khaki uniforms or not, you would get the most resounding complaint that it is the worst thing they have ever had to put on and, of course, we have not eliminated white uniforms; but white uniforms are pretty impractical for work, so that the working dress for both officers and men is this uniform. However, there is no one in the navy very enamoured of khaki uniforms, believe me.

Mr. McCLEAVE: Is there any difference, Admiral, in your thinking on the question of uniforms between, say, the fighting branches of the services and the supporting branches.

Rear Adm. LANDYMORE: I cannot, rightly, say what attitude commanders of supporting arms have taken in relation to uniforms in their branches. I do not know how proud the dentists are of their army uniforms. I have no way of gauging that or investigating it. But I would have thought there would have been less resistance amongst the support groups to have a common uniform than perhaps in the operational forces where this esprit de corps business is built on it. Of course, in the navy under these circumstances, everyone is eligible for sea service, so everyone must fight in an operational environment. This is quite unlike an air force where you have an air station, say, at Greenwood with 3,000 personnel on it, and the number of flyers may be 2 per cent or 3 per cent of that number.

Mr. MATHESON: I would like to ask the Admiral if he was not prepared to agree that the integration of navy personnel into the medical services has been singularly successful? It was my privilege to be at the Tri Service Hospital, I think, for about two weeks and I had the feeling that the senior service was running the show with great despatch and great joy and with universal satisfaction to all.

Rear Adm. LANDYMORE: I can see no reason why it would be otherwise. Doctors of any of the services would be only too delighted to fit into an integrated scheme there, because this gives them an opportunity for a much wider medical experience. You see, we require very few doctors at sea; we only take two or three to sea in *gunboats* on the *Bonaventure* and the larger ships. So that we have a very, very small operational requirement for fully qualified doctors. We have medical assistants who, of course, are uniformed personnel in their own service. I do not see that they have integrated any better or any worse than anyone else.

Mr. MATHESON: Except that you have had just a few more months at it. The point that was in my mind was that they, in fact, had been integrated somewhat longer. They have acquired the habit of working together.

Rear Adm. LANDYMORE: I think they work well together; I think they have from the start. I have never encountered any reluctance on the part of medical people whatsoever to take part in this scheme of things.

Mr. LANGLOIS (*Chicoutimi*): Admiral, a little while ago you told us that the people in the navy were very proud of their uniform. Could you inform the Committee if they are proud of the uniform because it is blue or white or because of the uniform of the navy and they are part of the armed services of Canada.

Rear Adm. LANDYMORE: I can say for all those reasons. I think they are proud of their uniform because it distinctly sets them aside, in the first place, as sailors. It indicates their professional connection with the sea. I think they are proud of it because it is a Canadian uniform and we make no bones about that. Everyone wears a flash which says "Canada" on their shoulders to indicate this. The theory you are suggesting that sailors are not only fiercely proud of being Canadians, they are fiercely proud of their uniforms as well.

Mr. LANGLOIS (*Chicoutimi*): But, let us say, more than being proud of their uniforms, should they be proud of serving Canada?

Rear Adm. LANDYMORE: They are very proud to serve Canada.

Mr. LANGLOIS (*Chicoutimi*): Do you place that higher than being proud of their uniform?

Rear Adm. LANDYMORE: I do not see how I would be capable of making a measure of this. I think it is all part and parcel of the same thing. They are proud of their country, their flag, their uniform, their ships; they all meld together. I do not see how you could measure different degrees of pride. I think the very fact that they serve their country is the first measure that they are Canadians who want to serve Canada; from there on, the other matters of identity identify them with their service as a particular arm of a fighting force in Canada.

Mr. LANGLOIS (*Chicoutimi*): Following that, am I to assume that if they were to wear khaki uniforms, they would still be very happy to serve Canada? In fact, I think the first thing a soldier or a navy man or an airman should learn in the service would be to obey orders. That is what I would assume; the first thing they should learn is to obey orders.

Rear Adm. LANDYMORE: And they do.

The CHAIRMAN: It is about time, that I as Chairman, issued a few orders here. I think the measure of our interest in your brief, Admiral, was the fact that we have been here in Committee for over three hours. We appreciate very much your coming before us. I know the members will all wish me to thank you and your team for the very instructive and, if I may say so, intensely interesting briefing. It undoubtedly shows that there have been very impressive, progressive steps towards the effectiveness of the antisubmarine forces that you command.

We would like to thank you for your brief and for answering our questions. We would like to wish you, in all sincerity, the very best of good fortune and continued success and I know that we would all hope, in this Committee, that in some way we can be of assistance to you in your task.

Gentlemen, that completes the briefing this morning. We have a meeting this afternoon, in either Room 208 or Room 209, West Block. As far as the timing is concerned, I suggest we meet at 3.30 or ten minutes or so after the question period is finished, whichever is the later.

We will now adjourn.

AFTERNOON SITTING

TUESDAY, 21 June, 1966

The CHAIRMAN: Gentlemen, we have a quorum. I think we will start out by saying at the meeting of the steering committee it was suggested that item 1 be stood over for further consideration until after the remainder of the items had been agreed to by the Committee, and that we should continue on now with the individual items in the estimates. That was the one recommendation of the steering committee that was not put before you for approval this morning. Could I have the approval of the Committee for continuing under those rules?

It has been so moved by Mr. Foy and seconded by Mr. Ethier. All in favour?

Motion agreed to.

We will stand item 1 and kick off with item 15, which is the operation and maintenance and construction or acquisition of buildings, works, land, et cetera.

DEPARTMENT OF NATIONAL DEFENCE

15. Operation and Maintenance and Construction or Acquisition of Buildings, Works, Land and Major Equipment and Development for the Canadian Forces and \$1,750,000 for Grants to the Town of Oromocto \$1,420,115,000

Mr. LAMBERT: Well, what is the procedure? Are you going to work down?

The CHAIRMAN: I would like to work through them in sequence. We can start on them that way.

Mr. BREWIN: Mr. Chairman, I wonder if I could remind the Minister through you that I think it was stated on last Tuesday that he would give a sort of summary of these estimates by relation to the role or cost. I do not know whether he has been able to do that and I just want to remind him of it.

Hon. PAUL HELLYER (*Minister of National Defence*): Yes, Mr. Brewin, I have that information for you.

Mr. Chairman, I think I should comment though that these figures are the best we could produce with the information now available. There may be some refinements possible after accounts are set up on this matter at a future date. Subject to that reservation, they are the best that we can produce in the time available to us.

Mr. LAMBERT: Mr. Chairman, I would move that the schedule referred to by the Minister be included in today's transcript as an appendix, and the same would apply to the other schedule of selected major equipment items. Therefore, they are already on record and may be referred to indiscriminately during the questioning and the answers.

The CHAIRMAN: I think that could easily be done. (*See Appendix A and Appendix B*). Would you like to continue with the questioning, Mr. Lambert, on item 15?

Mr. LAMBERT: Yes. With reference to page 266, there is an item, two thirds of the way down the page, "operation of service establishments and provision of facilities by contract agreement." There is about a 90 per cent increase in the item. What is the explanation for the amount of \$16,054,000 for this coming year as against \$8,941,000 for last year?

Mr. E. B. ARMSTRONG (*Deputy Minister, Department of National Defence*): The explanation of this is essentially a reorganization of what has been put under this particular heading. Up until 1966-67, the estimate included only the R.C.A.F. activities such as the operation of mid-Canada line and the contract payments for the firing facilities at Decimomannu in Sardinia. In 1966-67 similar items for the army and navy are also included. The contract maintenance in respect of the army in Europe and the forces in Cyprus and expenses associated with outfitting and maintaining certain of the NATO naval facilities where we have an obligation to give the certain maintenance for some of these in connection with them. So, the

explanation of this is really that when the votes were brought together; that is, the navy, army and air force votes, certain items that had previously been carried under other headings were put in under this heading and consequently the amount is very substantially higher than it had been before. Now, there are some offsetting reductions, for example, the mid-Canada line was substantially reduced in 1966-67, because it was closed out. But the reason for the increase is that it actually includes items that were not included before.

Mr. LAMBERT: Well, is there any appreciable increase or decrease in these items notwithstanding this regrouping, or is it approximately the same as if they were back in there...

Mr. ARMSTRONG: The additions that were carried under different headings in the army and navy amount to \$14 million approximately which have been added into this and there has been a reduction of roughly \$7 million because of the mid-Canada line. So that gives you the net increase of \$7 million.

Mr. LAMBERT: It is here too that we would find the item for the educational services maintained by the armed services?

Mr. ARMSTRONG: No, they are located under Corps of Commissionaires and Other Services, which include the teachers salaries. The item up under professional services, above that.

Mr. LAMBERT: Well, I am quite satisfied about that. I am thinking of the vote. You come to this vote but I am quite satisfied with your explanation as to the other.

Now, the Minister may recall that in the last couple of years there have been discussions with various provincial educational authorities with a view to assigning responsibility to provincial educational authorities for some of the D.N.D. schools or some form of agreement whereby the Department of National Defence would not be so involved in the education of service men's children. Are there any developments in regard to this?

Mr. ARMSTRONG: No; there has been no change from what it has been. The only province in which we have a contract where the province operates our schools on our behalf and we pay a per capita rate is the Province of British Columbia. No similar agreement has been worked out as yet with any other province. As you indicated, we have written, in fact about a year ago, to the various deputy ministers of education in the provinces, but at this point we have not actually succeeded in working out any arrangements in this respect.

Mr. LAMBERT: Well, is it not a fact that about two years ago there was actually a meeting set up in Edmonton with certain of the educational authorities of that province to meet with certain defence officials and just before the meeting was due to take place it was cancelled? I take it there have been no further negotiations between the two bodies, outside of what you have just indicated.

Mr. ARMSTRONG: Not that I am aware of, I do not recollect that particular situation to which you refer.

Mr. LAMBERT: That is all for this item, Mr. Chairman.

The CHAIRMAN: Are there any more questions on item 15?

Mr. SMITH: Is there any sum inserted in item 15, respecting the provision for the acquisition or planning of the new National Defence Headquarters?

Mr. HELLYER: The absolute maximum would be the salaries of one or two people who might be involved in planning staff, which would be the outside.

Mr. SMITH: And nowhere else in the estimates does anything appear this year for the new National Defence Headquarters.

Mr. HELLYER: No.

Mr. SMITH: I do not mean four or five people on a planning staff, or anything like that.

Mr. HELLYER: No, the preliminary sketches are being prepared this year, but I think that is paid for by Public Works, in one of their votes. As you know, the buildings are provided for governmental departments by the Department of Public Works and our involvement is in really defining the kind of accommodation required. We have had Air Vice Marshal Johns working on this for two years, something of this order. This is his full time . . .

Mr. SMITH: He has been relieved of his other responsibilities?

Mr. HELLYER: He was retired from the air force some time ago and he is special assistant to the Minister for this particular project. He has been working on it together with a planning staff, and they work very closely in conjunction with the National Capital Commission and the Department of Public Works who have the actual responsibility for erecting the building. Incidentally, the planning stage involves preliminary plans, and the preparation next of detailed plans and the construction is not scheduled to commence until 1968; I think it is 1968. I would hope that this project, which has been altogether about 25 years in the planning, would not be postponed.

Mr. SMITH: It is not something you can rush.

Mr. HELLYER: It is not being rushed, I can assure you. And it does not conflict in any way with the heavy building schedule for this year and next year as the result of Expo and Centennial.

Mr. MACRAE: Mr. Chairman, might I ask the deputy minister a question here. In item 15 there is a special addition, namely a grant of \$1,750,000 to the town of Ormoco. The deputy minister would not have the details of that, of course, readily at hand, quite likely, but if he does not have he could send them to me.

Mr. ARMSTRONG: We have them. I do not think I have them with me. This as you know is the departmental contribution to the municipal budget; approximately 72 per cent of the budget now is paid by the Department which is a considerable improvement. The 28 per cent is paid either by taxation or provincial grants for a variety of purposes.

Mr. MACRAE: The federal was much higher for several years, was it not?

Mr. ARMSTRONG: Yes; this is the best year we have had.

Mr. MACRAE: And this would be a recommendation from Brigadier Brown and the commission, would it not?

Mr. ARMSTRONG: Well, Brigadier Brown is the Chairman of the Board of Commissioners. It is the municipal budget for the town and, of course, it is worked out and approved by the Board of Commissioners.

Mr. MacRAE: By the board itself?

Mr. ARMSTRONG: Yes.

Mr. HOPKINS: Does vote 15 include things like supplies and facilities for D.N.D. schools?

Mr. ARMSTRONG: It would have this in it, yes.

Mr. HOPKINS: As the Minister knows, I have had several discussions with him and with the Associate Minister of National Defence on the lack of facilities and supplies for D.N.D. schools in the past. They have not compared too favourably with civilian schools in communities and this is certainly no fault of the present Minister in any way because this has been a trend over the years. It has always been in this kind of shape and I must say that I appreciate very much the way that the Associate Minister and the Minister have put a special emphasis on this subject since it was brought to their attention. There is one man in the Associate Minister's Department, I think, who deserves a lot of credit and that is Mr. Lavergne who has been sent out into the field to visit these schools; he has taken hold of the matter and I certainly want to express my thanks to both Ministers for the action that has been taken here, and I would like to express the hope that in the future the reports that are submitted by the subject inspectors and the general inspectors in these schools be given very serious consideration. Only in this way can we keep the standards of education in D.N.D. schools up to par and the way the trend is going right now I do not think there is too much question but what we are going to do to get there. Having been a teacher in D.N.D. schools, on behalf of the teachers and principals I would like to thank both Ministers for their attention to this matter.

Mr. LAMBERT: On May 9, the Associate Minister filed a return to a question asked by Mr. Forrestall dealing with enlistments both at the commissioned and non-commissioned and other ranks level. I was wondering whether this could be brought up to date, or to whatever suitable period is selected. If it is too soon for the end of June, perhaps May 31, in the same form of schedule. This could be filed later. On that point, from his own knowledge of the matter, is the Minister able to say whether there is the same pattern of enlistment and release in the three branches?

Mr. HELLYER: I cannot say offhand, Mr. Lambert.

Mr. HOPKINS: Mr. Chairman, there is one further question I would like to ask here. One of the big difficulties that school boards face in D.N.D. schools, and as I say this is nothing new, it has been this way for years, is that there is no means of gaining a supply of funds that is assigned to them for buying supplies that are required at periods throughout the year. I wonder if the Minister would approach Treasury Board with the idea of requesting that a sum of money be given to D.N.D. school boards in trust that they can use at periods throughout the year, because in civilian schools you have a set-up where principals can submit requests to school boards and the school boards are empowered to make the decisions and buy the equipment necessary. Now, I wonder if we could approach Treasury Board with this problem because it is a serious one and assign funds to our school boards so that they can have something to work with.

Mr. ARMSTRONG: Well, certainly we would be very glad to look at this. I am afraid I am not familiar with whether or not they now have any fund at all. I know that the supplies generally speaking are bought centrally and provided to the schools. I will certainly examine the possibility of providing a small fund to meet contingencies that may arise, and I could not say offhand whether they have one.

Mr. HOPKINS: I am quite sure they have not now.

The CHAIRMAN: I wonder whether it would be better if we go down this thing page by page, inasmuch as this is a major item, and we will then know exactly how far we have got, instead of skipping back and forth, all over the lot?

Mr. LESSARD: Would that be done item by item?

The CHAIRMAN: Well, then we will go through this item inasmuch as it covers ten pages or so, a page at a time. There is nothing to stop anyone from going back if if they wish to but it will lend some sort of order to our deliberations. Would that be suitable to the committee? Page 256. I am just calling out the numbers of the pages—I mean, starting with vote 15. Then we get on to pages 266, 267.

Mr. LAMBERT: With regard to the acquisition and construction of buildings and works, is it envisaged at this time that you will require much in the way of construction or the acquisition of further property as a result of unification of commands and the reorganization of the forces?

Mr. HELLYER: There will be a considerable amount of construction required. The extent will depend on the amount of base consolidation that is recommended. I cannot tell you what it will be yet because until we have a recommendation on the base consolidation we will not be able to work out the capital requirements in detail.

Mr. LAMBERT: When do you look forward to receiving the recommendation with regard to the base consolidation and reorganization?

Mr. HELLYER: I cannot give you specific dates. I think in the first chart that was shown us last week from training command it was about two years before they had a complete picture of what their final configuration would look like. But it is over a period of time, running I would say from one to three years, to get a picture of this.

Mr. LAMBERT: In other words, you will start to see the picture in one year from now and have a better idea, but not before then?

Mr. HELLYER: Not to any considerable extent before then.

The CHAIRMAN: Page 267.

Mr. HELLYER: Just before we go one, I do not want to leave the impression we will do nothing in the meantime, but in so far as the major look forward is concerned this takes really a longer period of planning and consideration.

Mr. FORRESTALL: Just for clarification, Mr. Chairman, on page 267 there is a recoverable amount in the order of \$34 million this year and \$33 million last year. I wonder whether the Deputy Minister would mind just explaining briefly to the Committee just what that covers in generalities.

Mr. ARMSTRONG: Well, this covers all recoverable items. It would cover, for example, cost of food that is sold, or any other item where the department may have a recovery. It would include where we have an undertaking, say, with the United States where a portion of the costs are recoverable. It goes in here. They are all lumped together in this one primary. I might have the details if I can find them here. Does anyone have the details? I will give you a few more details so that you will have a better appreciation of all the things that are in there. Medical and hospital services \$2½ million; this would include recoveries from provincial hospital plans, and so on; grants in respect of education, these are grants payable by the provinces in respect of our schools, \$3½ million; fuel supplies to ships of NATO navies \$400,000; service and material supplied to other government departments \$360,000; cash sales of clothing, \$2,735,000.

Mr. FORRESTALL: Would this clothing, for example, be through disposal?

Mr. ARMSTRONG: No, this would be where clothing is sold to the member of the force. He is given a casual allowance to maintain his clothing and then buys it from some of our stores; a fairly substantial amounts on cost-sharing agreements connected with the air defence system, approximately \$19 million on that.

Mr. FORRESTALL: That is one large bulk amount and I was just waiting for you to get to that. Thank you very much.

The CHAIRMAN: Are there any more questions on page 276?

Mr. SMITH: Under the item aircraft and engines, there is \$118 million; is this where the Caravelle executive jets are included? I probably have the wrong name, airplanes confuse me greatly.

Mr. ARMSTRONG: Falcon.

Mr. SMITH: Falcon fan jets. Are they included in this item?

Mr. ARMSTRONG: They are included in this item.

Mr. SMITH: From whom are they being purchased? ,

Mr. ARMSTRONG: The contract is being negotiated with a French firm, Dassault. There may be subsidiary contracts for certain of the furnishings here in Canada.

Mr. SMITH: But is there any Canadian or American intermediary or agency involved in the purchase of these planes?

Mr. ARMSTRONG: No; there is no intermediary.

Mr. SMITH: There is no subsidiary of Pan-American Airways who are the American sales agent.

Mr. ARMSTRONG: No.

Mr. SMITH: It is a direct sale with the French manufacturer?

Mr. ARMSTRONG: The contract would be made through the French government, I believe. This is really the Department of Defence Production business, but this is my understanding.

The CHAIRMAN: We will move to page 268.

Mr. HOPKINS: Mr. Chairman, there is one question I would like to ask here. I believe there is a new chapel to be built in Camp Petawawa this year. Do you know anything about this

Mr. HELLYER: I am advised it is not planned for this year.

Mr. HOPKINS: And what about the water filtration plant?

Mr. ARMSTRONG: Yes, it is provided for.

Mr. HOPKINS: The water filtration plant is provided for but the chapel is not.

Mr. ARMSTRONG: No, not at the moment.

Mr. HOPKINS: Thank you.

The CHAIRMAN: Are there any other questions on page 268?

Mr. LAMBERT: This is a question that can be applied to all of the services and it has to do with superannuation provisions for regular force officers who are now retiring, or contemplate retiring within the next couple of years, but who are unable to count war service as part of the time they served in order to qualify for full pension. I believe the rules and regulations are that one must have been a member of the permanent force prior to August of 1939, before one can include wartime service in the period for pensionable service, which I believe starts otherwise late in 1946, with the establishment of Canada's permanent force.

Mr. ARMSTRONG: If I could explain this, wartime service is countable for pension, but under the act as it stands there are certain qualifying periods. For example, an M.C.O. or man with 20 years service, regular force service, may retire voluntarily and receive a pension. But his war service does not count towards the 20 years. Incidentally, there is an amendment in Bill 193 before the House which changes that and that service will count as qualifying service.

Mr. LAMBERT: Fine; that is my question.

Mr. HOPKINS: Mr. Chairman, suppose a man enlisted in 1942 and has been in regularly, does this mean then that he will be able to retire in 1967 with a full 25 year pension?

Mr. ARMSTRONG: Well, all his service would count, yes. He would have 25 years service then for all purposes; whereas under the other provision his three years of war service would not count toward his qualifying service. Under the new provision it will.

Mr. HOPKINS: So that those who retire under those conditions in 1967 will get full credit for their war service plus their years since the war?

Mr. ARMSTRONG: Once the act is amended, that is so, yes.

Mr. GRILLS: Mr. Chairman, this is beside the point a little bit and away from the subject, but I had a letter recently, a phone call and then a letter, from a gentleman who had served some 20 years in the air force. He applied for a civil service position and he did not get the veteran's preference and he is blaming this for not getting him a position in the civil service. Probably this is a civil service problem

more than National Defence, but service in the air force, if he was not in a theatre of war does not give him a statutory preference for veterans, is that it?

Mr. ARMSTRONG: This is provided for under the Civil Service Act. It is not under any of the acts that are administered by National Defence, but I believe what you say is correct, that the preference is related to overseas service.

The CHAIRMAN: Have we finished with page 268? We will move on to page 269.

Mr. LAMBERT: What is the present strength of the Royal Canadian Navy reserve?

Mr. ARMSTRONG: At the end of April, 2,674

Mr. LAMBERT: And what is this in relation to the ceiling that had been imposed at the time, or had been decided upon at the time of the cutback of the reserves?

Mr. HELLYER: It is fairly close, I think, 2,700 or 2,800.

Mr. ARMSTRONG: It is 2,800 I believe.

Mr. LAMBERT: Now, in so far as the naval reserve is concerned, and the sea cadets and the navy league cadets, is the Minister satisfied that in all areas, particularly the cadets, they have got adequate training accommodation, or should there be some improvement? I know in the case of the navy league cadets there is a matter of local sponsorship and the same thing with the air cadets; the responsibility for the provision of the quarters where they drill, and so forth, is a local matter. But I would like to get the Minister's assessment of these facilities; whether he feels that they are adequate or could the sponsoring bodies do more, or is the Minister in a position where he is now going to get surplus accommodation; because of reorganization these might be placed at the disposal of the cadet services?

Mr. HELLYER: It is difficult to answer your question in detail, Mr. Lambert. I have not had a comprehensive survey done, but to the best of my knowledge and belief most units are adequately provided for. I am sure that there are cases where there could be some improvement in accommodation. I think you might always say that that would be true. But, from the number of specific requests that I have seen in the offices of the two Ministers recently I think that most of the units which have been dislocated as a result of the reduction in the reserve a year ago have now been housed. There may be a very small number of exceptions to that. I know of three or four air cadet squadrons in Toronto that have been looking for accommodation recently, but I think most of them have been housed and there has been an absolute maximum of co-operation by officers of all branches in all areas in trying to use accommodation to better effect, and to make facilities available to additional units. This has been working very well.

The CHAIRMAN: We will move to page 20. Did you have a question?

Mr. SMITH: Under pay and allowances in the Canadian army; suppose, instead of adopting a policy of forced discharges in the unification of the forces we let attrition take care of the matter. Has any comparison ever been made between the actual cost of having kept superfluous people on in jobs until they wanted to get out or reach the age when they normally could expect retirement and the extra payments made in the forced early retirement and discharge of people?

Mr. ARMSTRONG: Certainly I have not made a specific estimate of this kind. I think you should appreciate that the reduction which has taken place has been substantially by attrition. The numbers to whom the special arrangement applied were relatively small. My recollection of the figures is that it was under, I believe, 2,500 people. And that, as you know, included all medical discharges during the period. So the number other than medical discharges was very considerably less than that again.

Mr. SMITH: So that report is exactly the bit of hindsight that I have been thinking about recently, and this relates to the morale of the forces. It would have been better if we had let attrition take care of the whole reduction necessary rather than have any early retirements at all. It would seem to me, as I move about the country, that one of the troubles there has been among the services is the uncertainty that has been caused, not so much the numbers. As you pointed out, the numbers have been very small. But the uncertainty that has been caused among the troops not knowing which way they were going or where the axe was going to fall. I have come to the conclusion that it would have been cheaper, both in terms of dollars and much better in terms of morale, if we had not adopted any policy in relation to early retirement and just change the force by attrition. Of course, I will admit that that is hindsight.

Mr. HELLYER: It is very hard to say, Mr. Smith. First of all, it would be almost impossible to cost, and secondly a cost would be meaningless unless the cost was related to effectiveness. For example, in the case of many of the medical discharges, a number of the personnel involved were those who could not be posted to hardship postings, who were not physically fit enough for combat, and so on. Therefore, if they been retained, some of them would have been kept on for a large number of years, and the effectiveness to the force for the cost involved would not have been in the public interest.

Mr. SMITH: Not in relation to that particular soldier?

Mr. HELLYER: That is right, and this applies to the bulk of the personnel discharged, because in most other cases they were in trades where there was redundancy, and so on. In so far as the psychological effects are concerned, I think there is something in what you say. However, probably the biggest psychological impact was in the aircrew reduction, which was not directly related to the integration of the forces.

Mr. SMITH: There has been quite a bit of confusion in other areas, too.

Mr. HELLYER: There may have been some, but I think this should be pointed out. For something over a year now it has been known, I hope, that for all other ranks and junior officers there was no further compulsory retirement. If this was not as widely propagated as it should have been, this was a breakdown in staff work, because the telegrams went out over a year ago.

Mr. SMITH: I can assure you I do not go searching for troublemakers because in general I support the unification, but there is still some confusion and there is still a considerable degree of uncertainty, and I think what Mr. Armstrong has said that the small numbers involved indicate that perhaps in the light of hindsight we should have let attrition take care of it.

Mr. HELLYER: It would have been another possible course, but there would have been some real disadvantages as well. In the promotion rate, I think the effect on morale of stoppage of promotion in some ranks would have been very serious. Here you have psychological forces working in opposite directions and there are just no calipers which measure that sort of thing really accurately.

Mr. SMITH: I am the first to admit that it is hindsight. The matter of service pay, I suppose this would refer specifically to the navy; you need higher and higher skills in the non-commissioned ranks. Is that not so?

Mr. HELLYER: I think this is generally applicable throughout the force. The tendency is toward more sophisticated equipment, more automation and consequently a higher . . .

Mr. SMITH: The people who have the ability to absorb and learn those trades and skills are the people who will also have the greatest opportunities in civilian life.

Mr. HELLYER: Precisely so.

Mr. SMITH: It boils down to the fact that when we need skilled tradesmen we will have to pay them more money to get them into the service?

Mr. HELLYER: Yes, that is correct.

Mr. GRILLS: A supplementary question, Mr. Chairman. Would it not be correct provided you are medically fit and your health status is O.K., to allow men that are needed in the services, as they do in industry, to stay on another five years. Do you insist that they retire now after so many years?

Mr. HELLYER: In nearly all categories we have compulsory retirement ages. This whole question has been under review for about a year. We are looking at the recommendations that are before us now. There is no doubt that for a large part of the force, the fighting arms in particular, you have to have youth and physical stamina. There is probably equally no doubt that in some of the support areas that officers and men could work for an additional number of years beyond the present compulsory retirement ages. Now, the problem is to get a system which will accommodate these two conflicting requirements in a way which is equitable and fair for the personnel involved, and also to give the best return for the tax dollars being spent.

Mr. GRILLS: You know, some people come to you, they are less than 50 years of age and they see there is retirement coming from the service and they want to get it. It is too early in life to retire. They are looking for something else. In some cases if they had another five years, then probably it would be different.

Mr. HELLYER: You could make a case for that, Mr. Grills, but by and large a fighting force has to be young and vigorous. It is our over-all philosophy to require youth and physical stamina and having said that it is subject to the qualifications which I stated earlier.

Mr. GRILLS: Very good.

Mr. DEACHMAN: Mr. Chairman, before leaving page 270, I just want to draw the Minister's attention to an item almost at the foot of the page, "architects,

inspectors, land valuation and legal fees". I imagine under this item the firm of Grosvenor, Laing are being retained for the evaluation at Jericho Beach. I know the Minister has a study in progress there and I do not want to ask him to proceed too far on the basis of a study in hand, but if he wants to make any comment on this at this time, I draw it to his attention.

Mr. HELLYER: I have asked for a preliminary report, Mr. Deachman, but it has not yet been received; I expect it shortly.

Mr. FORRESTALL: Just before we we leave page 270, the Minister spoke about the necessity of youth and hardiness in our fighting force. I was wondering if under ships and equipment, this item of \$36 million; the *Bonaventure* would fall in? Would it be that item?

Mr. HELLYER: It is.

Mr. FORRESTALL: Actually, what I am wondering about is this expression of air conditioning on the mess decks and below decks, whether or not figures have been included here, or costs included here, to improve the living conditions for these men.

Mr. HELLYER: We have the No. 1 expert with us on that subject today, and maybe Commodore Davis would like to tell us what air conditioning facilities are proposed.

Commodore F. M. DAVIS: (Assistant Deputy Chief, Engineering Chief Technical Services Branch, Canadian Forces Headquarters, Department of National Defence): I am glad to see, Mr. Hellyer, Mr. Winch is not here. He was rather more unpleasant last year. As I said in answering Mr. Winch last year, we are well aware of the living conditions in *Bonaventure*.

Mr. FORRESTALL: I am not suggesting you are not; I am wondering what you are going to do about them.

Mr. DAVIS: They are being improved marginally and the air conditioning will be improved. But the simple fact is the crew that has to be on board to operate the ship is larger than we would want to put on a vessel that size, and even in this ship which she is now having, we are not going to improve the standards on the *Bonaventure* to those that exist in other vessels in the fleet. They will have some improvement but not as much as for the other ships.

Mr. FORRESTALL: Is it just a matter of space, and so on and so forth?

Commodore DAVIS: Space, weight, in a sense cost also, but primarily the fact this ship is a pint pot and we are getting somewhat more than a pint into it at the moment.

Mr. FORRESTALL: Yes, I appreciate that. I think one of our common problems is we have always been trying to put a quart into a pint with regard to our aircraft carriers, going all the way back to the *Puncher*, I believe. This was a common phrase; we kept trying to put more and more in.

The CHAIRMAN: Are we finished with page 270? We will move on to page 271?

Mr. DEACHMAN: Mr. Chairman, the clothing and personnel equipment budget is up over \$3 million, halfway down the page. Could we have a comment on that

item? We are also \$3 million lower on food supplies. What are we doing? Are we feeding the men less and clothing them better

Mr. HELLYER: I think, Mr Deachman, even without finding the item there is less food because of the smaller number of people

Mr. FORRESTALL: Did they keep the new uniforms?

Mr. LANGLOIS (Chicoutimi): They did not lose out on account of the new uniforms, though.

Mr. HELLYER: That is a test to which they have not yet been put. This will result in much less consumption of the essential ingredients...

Mr. DEACHMAN: I am waiting for a comment on clothing, up \$3 million.

Mr. ARMSTRONG: Perhaps I can answer that. The survey of ours shows that it was due principally to provide for additional issues of combat clothing and cold weather clothing for the army field forces. To some degree similar clothing would be issued to the navy and air force; principally combat clothing for the army.

The CHAIRMAN: Are there any more questions on page 271? We move over to page 272; any questions?

Mr. DEACHMAN: Electronic and communication equipment, up about \$6 million. Could we have a comment on that?

The CHAIRMAN: Mr. Minister, could you comment on that?

Mr. ARMSTRONG: Well, this, of course, is a complicated primary, with a lot of detail in it. To answer you in a general way if that is satisfactory, the increase is principally due to the provision of communications which had heretofore been provided for and funded in the development vote and also to an increased requirement for sonabuys which are provided for under this item; to build up to some degree the war reserves, to provide for operational training, and also in connection with the Jezebel which you heard in your briefing this morning.

The CHAIRMAN: Are you not on the wrong page?

Mr. ARMSTRONG: Yes, I guess I did get the wrong one.

Mr. DEACHMAN: Page 272, Royal Canadian Army, under item 15, about two thirds of the way down the page you will find electronic and communication equipment; up from \$3.6 to \$9 million, army equipment.

Mr. ARMSTRONG: The main item in that is provision for communication equipment for the mobile land forces, and that I think probably accounts for the principal increase.

The CHAIRMAN: Any more questions on page 272? We will move to page 273.

Mr. LANGLOIS (Chicoutimi): Mr. Chairman, I see food supplies, \$6,892,000. Where is the food, let us say, for the air force base at Bagotville coming from? Where do you get your supply of groceries?

Mr. ARMSTRONG: All the contracts for food, with the exception of local supplies of fresh vegetables and so on, are arranged through the department of Defence

Production on standing contracts, and I do not think I could tell you precisely where the food for Bagotville would come from, if you are thinking in terms of the supplier, many different ones, I would expect.

Mr. SMITH: Through the area purchasing in Montreal, or ...

Mr. LANGLOIS (*Chicoutimi*): Would it be possible to buy locally when it is not any more expensive than it is to buy in Montreal?

Mr. ARMSTRONG: Well, the object of the exercise is to buy the food at the lowest price for the quality that is required, and it is bought on competitive bids by the Department of Defence Production.

Mr. LANGLOIS (*Chicoutimi*): To put the question another way, do you buy direct from the factories, or do you buy through a wholesaler?

Mr. ARMSTRONG: Through the wholesalers.

Mr. LANGLOIS (*Chicoutimi*): Well, then, I doubt very much whether it is cheaper in Montreal than in Chicoutimi.

Mr. ARMSTRONG: Well, I am afraid I am not able to really deal with it.

Mr. LANGLOIS (*Chicoutimi*): Will you look into that?

Mr. ARMSTRONG: We will be glad to look into it.

Mr. ROCK: Supplementary to that, I understood that Materiel Command was more or less a wholesaler in itself and now I find for food products, we purchase food from wholesaler firms rather than we ourselves being a wholesaler and try and get it through a manufacturer. This surprises me.

Mr. ARMSTRONG: Well, I think the difference is this. Materiel Command is a ~~wholesaler~~ in that they operate the wholesale depots of the Department of National Defence. There are certain types of supplies that are off the shelf supplies used by the Department of National Defence. Perhaps I should say first of all that all of these supplies, whether they are held in our depots or not, are bought by the Department of Defence Production for the Department of National Defence. They place the contracts. Now, in respect of some types of supplies, the Department of Defence Production arrange standing contracts with firms across the country by competitive bid and the Department of National Defence draws on those contracts as they require the materials that are available from them.

Mr. DEACHMAN: I refer to item "telephones, telegrams and other communications services" halfway down page 273, reduced from \$21.8 million to \$17.9 million. Now, I have taken a look at this item in other votes and find that it is equal or has been reduced. On other committees on which I have served in this session I note that other departments are increasing their telephone and telegram bills. Yet we have done a good deal within the government services to place long distance calls on a reduced rate basis and so on, and I would enjoy hearing you comment on how you do about reducing the telephone and telegram and communication bills while other departments are going up.

Mr. ARMSTRONG: First of all, I think you should understand that this covers more than just long distance telephone calls. This provides for the communication ~~costs~~ for the Department. Now, in respect of the reductions that are shown here, there is a saving of approximately \$2 million which is the result of using the Telepak volume billing discounts.

Mr. DEACHMAN: You say you have saved \$2 million on this already.

Mr. ARMSTRONG: And owing to the integration of the facilities under the Canadian forces communication system, there is a saving of approximately \$2 million on those two accounts. We also have some fairly significant savings in the case of the facilities and services that are subject to the cost sharing arrangements under the continental air defence system, again resulting from adjustments that have come about by the application of the volume billing rates. So this saving is, in fact, essentially due to those two factors. The savings that are due to integration and the savings that are due to the improved purchases that are obtainable under the volume billing system.

Mr. DEACHMAN: Well, if I refer back to vote 15, under Royal Canadian Navy, I see your telephone and telegram is reduced from \$769,000 to \$700,000, and if I look forward to a vote under operation and maintenance inspection services, Royal Canadian Air Force, I see there is no change which is not bad; other departments are going up. Defence Research, I see succeeded in cutting their telephone bills. Your explanation still does not really give me the answer.

Mr. ARMSTRONG: I was dealing with total communication, telephone and communications system, not applicable only to the one service.

Mr. DEACHMAN: It still leaves me mystified as to why you were able to make a saving and other departments are increasing their expenditures in this field at the same time.

Mr. ARMSTRONG: Well, I am not responsible for what other departments do, and I really cannot explain that.

Mr. DEACHMAN: I think I will recommend to their ministers that they come and see you.

The CHAIRMAN: Any more questions on page 273? We will move to page 274.

Mr. ROCK: I have a question with regard to the Royal Canadian Air Cadets. What I would like to know is the difference between the Royal Canadian Air Cadets and the Air Cadet League of Canada under vote 1 where you have \$50,000. Is there a connection between the Air Cadet League of Canada and the Royal Canadian Air Cadets?

Mr. ARMSTRONG: The \$50,000 is a grant to the Air Cadet League who are a civilian organization who sponsor air cadet corps and this assists them in the costs associated with that—the \$50,000. The air cadet vote deals with the cost of the various air cadet squadrons providing them with clothing and taking them to camp and all the other expenses associated with it.

Mr. ROCK: Well, it is just that I do not see the difference.

Mr. ARMSTRONG: Well, they are doing...

Mr. HELLYER: One is a grant and the other is the operations and maintenance of the services we provide.

Mr. ROCK: Yes, I understand that. But I do not see the Navy League of Canada with an amount here, either. Yet you have Royal Canadian Navy Cadets.

Mr. HELLYER: The Naval Officers Association receives a grant.

Mr. ROCK: I understand, Mr. Hellyer, that there is an expenditure that the forces make in their training and sometimes when they go out to sea for two weeks, and things like that, which is I guess included in that amount. I am just wondering what has happened with the Navy League of Canada. Does it get a government grant at all?

Mr. ARMSTRONG: It has just slipped my mind what the arrangements are with the Navy League. There are close working arrangements with them, and I think certain assistance is given to them by the department, but I am afraid I do not really recall what it is at the moment. Could I perhaps get you an answer to that question?

Mr. ROCK: Yes, I would appreciate that.

The CHAIRMAN: We are on page 274 now, am I correct?

Mr. SMITH: Royal Canadian Air Force exchange, Mr. Hellyer; we had a committee in the militia in Canada and we had quite an extensive report a year or a year and a half ago and one of the chief criticisms of the reserve forces in that report was the lack of adequate training equipment and training facilities, but particularly training equipment among the whole three of the reserve services. How is that progressing? Are they getting better training equipment? Are they getting better use of training facilities?

Mr. HELLYER: Are you referring specifically to the air force reserve?

Mr. SMITH: To save time I have asked the question, if I might, on both the air force and the army.

Mr. HELLYER: I think the air force reserve training equipment is by and large very good. They lack, however, the operational equipment that they would require for a more useful operational role as backup for air Transport Command. I think that some improvement could be effected there but with a considerable increase in cost. In so far as the militia is concerned, I do not have any recent reports but they have been getting more equipment and more pooled equipment as a result of the reorganization. I do not know that we have ordered any new equipment, but I know that some is being considered in so far as the over-all equipment requirements are concerned.

Mr. SMITH: You mean new types of equipment?

Mr. HELLYER: Well, some of the same. I think some of the same wireless sets, for example. This is under consideration. I do not know that any decision has been taken with respect to it.

The CHAIRMAN: Are there any more questions on page 274?

Mr. DEACHMAN: Mr. Chairman, the group of items at the foot of the page, item 13 and item 16 show an increase of about \$7 million, most of which is contained in this item of miscellaneous technical equipment. What is the principal change there that caused that increase?

Mr. ARMSTRONG: This again is one of those items where the comparison between the two years is really not valid because of a change, as the three services were brought together, on the items that were included under this particular primary. About \$5 million of that increase is attributable to that fact. There are items charged here . . .

Mr. DEACHMAN: It does not represent the purchase of some unusual gizmo worth about \$7 million, in other words?

Mr. ARMSTRONG: No. That is right.

The CHAIRMAN: We are finished with page 274, so we will move to page 275. Page 276. Any questions on page 276? This takes us to the end of vote 15. We have covered all the pages which concern vote 15; shall we pass vote 15?

Item agreed to.

Now, I think the next item is number 20 which is the Defence Research Board. There are some questions on this. I understand, Mr. Smith . . .

Mr. SMITH: Have we anyone here from the Defence Research Board?

Mr. HELLYER: Oh, yes, Mr. Pennie is here and his head is full of information for you.

Mr. SMITH: I was wondering . . . you frustrated me, sir; I was counting on no one being here. I was wondering, as it is five o'clock, if we could deal with this item later. We have disposed of all your military gentlemen, I think. Perhaps we might like to have some questions for the Defence Research Board at another meeting. Beyond that all the other items are statutory items. This would look to me to be a good time to adjourn.

Mr. ROCK: We may have a chance to go through the whole estimates.

Mr. SMITH: There are not any more but the Defence Research Board except, as I read the thing, purely statutory items. We have disposed of all the military items and there is no necessity of keeping anyone around longer. If you want to insist, I am not going to make an issue of it.

Mr. ROCK: No, but I thought you said you wanted to adjourn at five o'clock.

The CHAIRMAN: If you do not ask a great many questions, perhaps we could go on, but if you think they would take . . .

Mr. SMITH: I am not going to make an issue of it.

The CHAIRMAN: Well, I am in your hands.

Mr. SMITH: Well, first I would like to make a reservation. Personally, I have no further questions on the Defence Research Board, but if you would reserve this item . . .

Mr. HELLYER: Mr. Smith, with your agreement, if we could go on and pass the balance of the items, then if you would like to have it a future meeting . . .

Mr. SMITH: We could stand item 1 at this moment.

Mr. HELLYER: Even if we passed the items, we would give you the undertaking that we would bring back from the Defence Research Board for future meetings someone to answer any questions that you have. Would that be satisfactory to you?

The CHAIRMAN: Well, then, shall we carry on on page 276 with vote 20. Any questions? Carried? Page 277, vote 200.

DEFENCE RESEARCH BOARD

20. Operation and maintenance \$30,526,000.

Mr. CARTER: This is all Defence Research; you are going to carry it all . . .

The CHAIRMAN: We are reserving the right to bring it back again if anyone has any questions, but we could get rid of any questions now.

Mr. SMITH: There is an item relating to the hydrofoil; is that an item that goes to the defence research or does that go to another charge?

Mr. ARMSTRONG: That is the final form of the development vote. On page 276 you will see an item marked "development". That is where the hydrofoil is provided for.

Mr. SMITH: Is the development of it carried on under the supervision of the Defence Research Board?

Mr. ARMSTRONG: No, the development is carried on under the supervision of the Canadian Defence Forces Headquarters, and there is a hydrofoil project officer, who happens to be a naval captain, who is responsible for the project itself.

Mr. SMITH: So its development is not considered research. Is that it? It is beyond the research stage.

Mr. ARMSTRONG: Yes, this is development; development of hydrofoil craft.

The CHAIRMAN: It is the other half of research and development. Any questions?

Mr. SMITH: I read the magazine.

The CHAIRMAN: Shall vote 20 carry?

Mr. DEACHMAN: Mr. Chairman, I wonder whether we could get a comment on what defence research means to university programs in terms of scholarships and bursaries; if it offers any, in terms of assistance to students in any form, employment of students during summertime, university programs on campus. Is there someone here who can comment on this?

Dr. A. M. PENNIE (*Deputy Chairman, Defence Research Board*): To answer your question, sir, it does this in several ways. It does not do it by direct scholarships or by bursaries, but the Defence Research Board has a grants in aid program with the universities which amounts to over \$2 million a year, and this is designed to encourage research in the universities in fields which will eventually be of interest to the defence community. The money from that is used within the university to provide assistance to students in the way of helping them to do post-graduate work both through the year and in the summertime. So the grant may be, let us say, for \$10,000, out of which perhaps \$8,000 might be for salaries and \$2,000 might be for equipment, or vice versa, depending on the complexity of the problem.

You mentioned summer employment. The board offers summer employment to something like 120 summer students. I believe, in varying categories of progress throughout the university, generally from the third year upwards, and in addition to this it provides summer employment in a certain limited number of categories for summer professors. In other words, we encourage university professors to come and work with the board on research programs to get a knowledge of how the board operates, what type of work it does, so that when they go back to university we hope that we have induced in them a feeling of usefulness in the scientific

community in the research field; a type of what you might call recruiting program as well as offering good, honest solid work in the summertime. So these are two main areas by the grants-in-aid program which is indirectly a method of providing scholarships you might say, and in the summertime by providing financial assistance in varying levels of student attainment.

Mr. DEACHMAN: Have you any assessment with regard to how this is broken down by provinces?

Mr. PENNIE: I do not think we have a grants in aid program here, but we could give you an accurate breakdown. I think there are something like 350 different grants, and they are in different fields; we could extract them for you, I presume. I think there are grants to almost every university in Canada from east to west.

Mr. SMITH: What mechanics are there to keep the Defence Research Board and the National Research Council informed so that you will not be doing experiments, or you will not be doing research in the same field?

Mr. PENNIE: I think basically you might answer this by saying that the people who come and knock at the door and request work are from different areas of life. In the National Research Council they are from a civilian economy; whereas with ourselves we are trying to satisfy operational requirements of today and tomorrow or in the distant future for the armed services. So we have two different types of inquiry.

Mr. SMITH: But a lot of your research must be for instance in the field of electronics.

Mr. PENNIE: Yes, this is very true.

Mr. SMITH: And a lot of the National Research Council must be in the same field?

Mr. PENNIE: Yes.

Mr. SMITH: What form of machinery is there to make sure you are not working in the same project on different sides of the same street?

Mr. PENNIE: Well, I think the answer to this is that in all scientific communities there is a migration to and from establishments on a what are you doing basis.

Mr. SMITH: Do you really know what you are doing?

Mr. PENNIE: I think the answer to that is yes.

Mr. SMITH: I have just been reading this book on the development of the V-2. You may have read it. It is the story of the history of the V-2, and there are some fairly frightening disclosures about what the navy research, the Royal Navy research has done with the use of aluminum in bombs, and they did not tell the air force about it and as a result there was a two year lag between the proper use of this development. Could such a thing happen between the Research Board and the National Research Council. Could you be as far apart as that?

Mr. PENNIE: I do not think that it could happen. There are many ways in which knowledge and information are disseminated. There are symposia, both classified and unclassified symposia, held in this year in Ottawa, in which there is

free exchange of information, in addition you know that one of the great things in science is to try and publish information, to disseminate it to your colleagues, so there is a constant flow of information both ways. There are, of course, associated joint committees on research which exist in a wide variety of fields, and particularly in the electronics field this is true.

MR. SMITH: I suppose you have the protection, too, of the fact that Ottawa is reputed to be the hardest place in the world to keep a secret.

MR. PENNIE: That seems the most unimportant secret.

THE CHAIRMAN: Are there any questions on vote 20? Shall vote 20 carry?

Item agreed to.

Items 25, 30 and 35 agreed to.

MUTUAL AID

45. Contributions to infrastructure and the military costs of the North Atlantic Treaty Organization and the transfer of defence equipment and supplies and the provision of services and facilities for defence purposes in accordance with Section 3 of the Defence Appropriation Act, 1950, not exceeding a total of \$30,316,000 including the present value of defence equipment or supplies or the cost of services made available by the Canadian Forces estimated in the amount of \$9,316,000 and provided by appropriations for those Forces in the current and former years in respect of which, notwithstanding subsection (3) of section 3 of the said Act, no amount shall be charged to this appropriation or paid into a special account; Provided by this vote \$21,000,000.

THE CHAIRMAN: Now we come to vote 45. Shall vote 45 carry?

MR. DEACHMAN: Mr. Chairman, can we have just a brief comment on why procurement for mutual aid is off in 1966-67?

MR. ARMSTRONG: There are really two items in this vote that make up the cash estimate. One of them is the contributions to infrastructure and NATO military budgets. That figure is approximately the same as it was the year before. The other is the payment on the production of F-104G aircraft where we have had a joint program with the United States, and the reason for the reduction is the payments on that contract is somewhat less. We are now coming toward the end of the contract and they are somewhat less in 1966-67.

MR. DEACHMAN: It is a fading out of existing programs, then?

MR. ARMSTRONG: Yes, in that respect.

THE CHAIRMAN: Shall vote 45 carry?

Item agreed to.

Items 48, 50 and 55 agreed to.

MR. ROCK: Could we not carry item No. 1 and wrap it up.

MR. HELLYER: It would be my suggestion, Mr. Chairman, that if the Committee would agree to carry vote 1, on behalf of the department I would give the undertaking that it would not limit any further examination of the areas in which the Committee is interested. We would be willing to continue with the discussion later on if the Committee so desires.

The CHAIRMAN: We have one more item here, which is at the back of the estimates, L45. That is in the estimates on page 548.

L45. To authorize in the current and subsequent fiscal years, under such terms and conditions as the Governor in Council prescribes, a capital assistance loan to the town of Oromocto, New Brunswick, to be covered by town debentures, for the purpose of assisting in completion of the physical development of municipal works and the further development of the town's assets \$200,000.

Last year the amount was \$550,000; this year it is \$200,000.

Shall item L45 carry?

Item agreed to.

Shall item 1 carry?

Mr. CANTER: Mr. Chairman, on item 1, my understanding was we gave an undertaking to Mr. Smith we were going to keep it open, were we not?

The CHAIRMAN: That is correct.

Mr. HELLYER: Well, until the end of the other items. That is the customary procedure and I think it would now be in order to revert back subject to this undertaking that I have given.

The CHAIRMAN: I think that is agreeable with the Committee, Mr. Minister.

Shall we revert back to item 1. With the undertaking that the Minister has given shall item 1 carry?

Item agreed to.

Mr. DEACHMAN: Mr. Chairman, I want to refer back to something that was discussed earlier in the Committee and that is the new national defence building. There was a comment in the House about it being too high and overshadowing the peace tower. I had a folder in the mail today from a hotel which advertises it will be a block away from the Parliament Buildings and 20 or 26 storeys high. Having regard to new skyscrapers that close to the Parliament Buildings, I just wondered what is the policy of the National Capital Commission in regard to the height of buildings and the separation of buildings from the peace tower in granting building permits to departments for buildings such as your own. I do not suppose that you can comment on this hotel structure, but it certainly surprises me a good deal more than does the height of your own building because yours is on a much lower land contour and it is also separated by considerable distance from the peace tower; but when we see 26 storey buildings moved within a block of the peace tower, we are beginning to look to the day when the peace tower is just merely one of the buildings in a series of buildings close beside it of the same height or higher. I wonder what you can tell us about this?

Mr. HELLYER: I cannot speak for the National Capital Commission, but I can say that in so far as the proposed National Defence Headquarters is concerned it is sufficiently far away from the peace tower that it, in my opinion, will not interfere with the dominance of the skyline by the peace tower. I took an early look at the model and there is a natural division which is on the one side, the Rideau locks, on the other side, the escarpment which runs around the end of Wellington street. This is a natural land mass. Outside of that anything that is built would not really interfere with the dominance of the skyline, from the Hull side or from the bridges, of the Parliament buildings.

When this was shown visually on the model it was very clear that not only would it not interfere, but it would enhance the whole western end of the city and really be the focal point of the redevelopment of the LeBreton Flats. Really, from an aesthetic standpoint—as you know I have some interest in these things—I felt no hesitation whatsoever in accepting the unanimous recommendation of the group.

Mr. DEACHMAN: Did National Capital Commission question you about the height of your building and its position, and so on? Are they concerned with this?

Mr. HELLYER: They were a party to the . . .

Mr. DEACHMAN: They were a party to the agreement?

Mr. HELLYER: Oh, yes. They have been in on the plans right from the beginning and it is subject to their concurrence, which has been given.

Mr. DEACHMAN: So presumably they would have also concurred in this new building which is to be a block . . .

Mr. HELLYER: I cannot say because I am not sure that their lands are affected. They have jurisdiction only over their own lands. The city has control otherwise.

Mr. DEACHMAN: You mean it is your understanding that on private lands buildings may be erected to any height in the city of Ottawa?

Mr. HELLYER: That is correct, subject to Ottawa control.

Mr. DEACHMAN: There is really no protection of the national capital from private operators . . .

Mr. HELLYER: The city bylaws control it. These, of course, are being changed and subject to the Ontario municipal board as well.

Mr. ROCK: This means, Mr. Minister, that the height of the new headquarters will not exceed the height of the tower?

Mr. HELLYER: It does exceed it but it is so far away that it does not in any way interfere with its domination of the skyline in the central part of the city.

Mr. ROCK: The cliff that we are on now let us say, does that refer to the level of the LeBreton Flats?

Mr. HELLYER: LeBreton Flats is lower.

Mr. ROCK: Yes. How many storeys is it before you reach the level of the start of the Parliament buildings? Is it about ten storeys?

Mr. HELLYER: I could not tell you offhand but there is quite a separation.

Mr. ROCK: I think there is quite a separation. Now, I am sort of wondering about the idea of future nuclear wars, let us put it this way. If we should have a global war, I cannot visualize the department concentrating all their headquarters staff and everything in high buildings in a strategic area like the capital city of Ottawa. If we should have a global war, well this thing would simply disappear at the first shot. I cannot understand, right now, Mr. Minister, why many establishments that we have right now are concentrated in areas like Montreal, and other such areas, which would be a prime target of the enemy. What thought is there in that direction? If there is a global war does 50 per cent, 60 per cent or 80 per cent of our effective force disappear at headquarters where all the strategic action is?

Mr. HELLYER: That is such a wide hypothetical question it is difficult to answer. But no building either high or low, of the kind that you build for a headquarters would resist a direct hit. This is immaterial.

Mr. ROCK: I understand that. But the point is, I am saying that we are concentrating these headquarters in a strategic area, for the enemy, but if they were somewhere else...

Mr. LAMBERT: It would become a strategic area.

Mr. ROCK: Not necessarily. We have strategic wives, they are trying to knock us out economically...

The CHAIRMAN: Gentlemen, that completes the Committee's investigations of the Department of National Defence estimates and with your approval they will now be submitted to the House.

Mr. HOPKINS: Mr. Chairman, I had to leave for a while and I am not sure whether this was discussed or not. Was the matter of wages of the armed forces discussed during my absence?

The CHAIRMAN: No, the Minister has given an undertaking that the estimates have been passed subject to his being ready to appear for any further discussion on item 1 at a later date at the request of the Committee. We will have a meeting on Tuesday, at which we could bring up this particular topic and it will give us an opportunity to refer these back to the House.

Gentlemen, our next meeting will be on Tuesday.

We will refer these back to the House on completion of our meeting on Tuesday. We will now adjourn until Tuesday morning at 9.30.

APPENDIX "A"

DEPARTMENT OF NATIONAL DEFENCE

1966-67 ESTIMATES

\$ Thousands

SELECTED MAJOR EQUIPMENT ITEMS

Description	Estimated Total Programme Cost	Cash Phasing		
		Actual Expenditure to 31 March '66	Estimated Cash Expenditure 1966-67	Balance to be paid in Future Years
	(\$000)	(\$000)	(\$000)	(\$000)
<i>DDH Class Construction Programme</i> —Four modern ASW ships	160,440	844	4,100	155,49
<i>ST LAURENT Class Conversion Programme</i> —Completion of a programme to improve ASW capabilities of seven ships by installing Variable Depth Sonar (AN/SQS 505/AN/SQA 501 System) and Helicopter	30,000	27,153	1,750	1,097
<i>Operational Support Ships</i> —Construction of two ships similar to <i>HMCS PROVIDER</i> to replenish the Fleet at sea and provide limited sealift capability	38,938		2,650	36,288
<i>RESTIGOUCHE Conversion Programme</i> —Continuation of an approved programme to improve ASW capabilities of seven ships installing modern Variable Depth and Hull Mounted Sonar (AN/SQS/505/AN SQA502 System) and ASROC (Anti-Submarine	56,467	639	7,300	48,528
<i>OBERON Submarines</i> —Continuation of an approved programme to construct three Conventional Submarines to improve the Fleet's ASW Capabilities and to provide realistic training for anti-submarine forces (both surface and air)	49,200	25,957	7,950	15,293
<i>BONAVENTURE Refit and Improvement Programme</i> —To improve the operational capability and habitability of this ship	8,270	384	6,695	1,191
<i>Naval Research Ship</i> —Construction of a ship to carry out hydrographic and oceanographic research for Naval Research Establishment (East Coast)	9,200	71	2,000	7,120
<i>Technical Engineering Services</i> —A continuing programme to hire civilian consultants and design services to determine the most suitable systems and equipments required to meet ships' operational characteristics, and the optimum installation arrangements.	5,000	483	1,400	3,117

\$ Thousands

Description	Estimated Total Programme Cost	Cash Phasing		
		Actual Expenditure to 31 March '66	Estimated Cash Expenditure 1966-67	Balance to be paid in Future Years
	(\$000)	(\$000)	(\$000)	(\$000)
<i>M113A1—Carrier Personnel, Full-Tracke</i> <i>Armoured</i> —A continuing programme to provide increased cross country mobility, and protection against blast, heat and radiation from nuclear explosion. 461 APCs in first buy, 500 in second buy.....	47,847	32,575	7,000	8,272
<i>M578—Armoured Recovery Vehicle</i> —8 vehi- cles to provide essential recovery facilities for armoured fighting vehicles and self- propelled artillery.....	16,182	8,084		8,098
<i>M109—Howitzer, Medium, Self-Propelled</i> <i>155mm</i> —50 howitzers to provide mobile artillery support capable of engaging armoured vehicles and APCs at long ranges.				
<i>CF104—Starfighter Aircraft</i> —Completion of an approved programme for 200 combat and 38 dual trainer aircraft.....	463,762	463,172	590	
<i>C130E—Hercules Aircraft</i> —A programme for 20 C130E aircraft. This is a long range jet- prop transport which will replace C 119 (Flying Box Car) and North Star air- craft. 16 have been received and the re- maining four will be delivered in Jan/Feb 67.	58,486	50,198	6,000	2,288
<i>Re-engining of Cosmopolitan Aircraft</i> —A new programme to replace the Napier Eland engines from seven Cosmopolitan aircraft with the Allison T56A7A engine....	8,500	6,679	1,500	321
<i>CS2F—Tracker Mid-Life Programme</i> —A pro- gramme to update the anti-submarine capability of 45 aircraft by incorporating the latest ASW gear available.....	10,820	2,127	5,450	3,243
<i>CC115—Buffalo Aircraft</i> —A new programme to procure 15 tactical transport aircraft for the support of the field forces.....	41,000	3,104	23,000	14,896
<i>CHSS2—Sea King Helicopter</i> —A pro- gramme for an amphibious anti-submarine warfare helicopter. It will be flown off destroyer escort ships with which it forms an ASW weapons system. 41 helicopters are on contract, of which 26 have been received.	89,460	58,222	17,500	13,738
<i>CF5—Light Attack Aircraft</i> —A new pro- gramme for 115 light attack aircraft.....	215,000	14,824	52,000	148,176
<i>CL89—Surveillance Drone</i> —A photo-recon- naissance pilotless airborne vehicle which will be launched by artillery units. It is being developed jointly by UK and Canada.	6,987		4,480	2,507
<i>CT114—Tutor Jet Trainer</i> —A programme for 190 aircraft for ab initio pilot training.....	89,611	87,350	2,261	

\$ Thousands

Description	Estimated Total Programme Cost	Cash Phasing		
		Actual Expenditure to 31 March '66	Estimated Cash Expenditure 1966-67	Balance to be paid in Future Years
	(\$000)	(\$000)	(\$000)	(\$000)
<i>Utility Jet Transport</i> —7 Fan Jet Falcon aircraft for command communication operations.....	13,200		9,500	3,700
<i>Truck Cargo, 5 ton 6 x 6</i> —181 standard military pattern trucks required to increase the lift capability of the logistic support elements in field formations and replace an equivalent number of 2½ ton vehicles.....	4,559	616		3,943
<i>D48 Truck Fuellers 4,000 gal</i> —191 aircraft servicing vehicles to replace smaller fuellers which are at the end of their useful life.....	8,376		3,740	4,636
<i>High Frequency/Single Side Band (HF/SSB) Transmitters and Receivers</i> —Combined requirements of Communication Improvement and Augmentation Plan (CIAP) Phases I and II. This project provides nine transmitters and receivers to modernize and extend the air-ground and point-to-point communication services, used by Maritime Command and Air Transport Command....	4,638		2,000	2,638
<i>Cryptographic Equipment</i> On line cryptographic equipment to provide long haul strategic communication networks with simultaneous encryption and decryption—a combined Army/Navy/Air Force programme.....	13,254	7,004	3,430	2,820
<i>Radio Set, 50 Miles—304 sets</i> <i>Radio Set, 5 Miles—2,069 sets</i> <i>Radio Set, 15 Miles—933 sets</i> <i>Radio Set, 100 Miles—Seven sets</i> A comprehensive programme to re-equip the Land Forces with the latest US Army designed tactical HF/SSB radios. The 5 and 15 mile sets are the same as those supplied with the new M113 Armoured Personnel Carriers. Details and quantities to be reviewed.....	21,145		771	20,374
<i>Electronic Warfare Equipment</i> Major component parts of a comprehensive programme to equip one aircraft carrier and 20 ST LAURENT, RESTIGOUCHE and ANNAPOLIS class DDEs (plus two Tribal Class DDEs for the HFDF set only) with an effective Electronic Counter Measure System. In addition, provision is made for Fleet Schools and peacetime distribution.....	5,487		474	5,013
<i>Non-directional Sonobuoys</i> —An expendable underwater listening device used in ASW operations and exercises. New procurement is required annually to replenish depleted stock. Procurement planned for 1966-67 is 31,800.....			5,000	

\$ Thousands

Description	Estimated Total Programme Cost	Cash Phasing		
		Actual Expenditure to 31 March '66	Estimated Cash Expenditure 1966-67	Balance to be paid in Future Years
	(\$000)	(\$000)	(\$000)	(\$000)
<i>Active Sonobuoys System</i> —2,000 Sonobuoys to complement the present Explosive Echo Ranging or "Julie" system.....	1,900	1,350	550	
<i>Sonobuoys</i> —100 Sonobuoys for the development of a joint RCAF/USN anti-submarine surveillance system.....	3,150	2,020	1,130	
<i>CT114 (Tutor) Operational Flight Trainer</i> —To provide five trainers. A prototype is being procured from Development funds.....	2,500	1,224	1,276	
<i>C130E Operational Flight Trainer</i> —To provide two trainers for Air Transport Command.....	3,800	862	2,200	738
<i>Argus Improvements</i> —A programme to procure 45 sets of eleven modules to update the navigation and flight control system.....	5,407		2,161	3,246
<i>Neptune Improvements</i> —A programme to procure 25 sets of seven modules to update the navigation and flight control system.....	2,840		994	1,846
<i>155mm Ammunition</i> —Replenishment ammunition requirements for towed guns and new procurement for Self-propelled 155mm Howitzers.....	18,557	Nil	5,156	13,401
<i>Torpedoes Mk 37 Mods O and I</i> —An active passive homing torpedo required for use in the RCN Oberon Class submarines. The requirement of 105 torpedoes comprises 72 for outfit, 8 for backup and attrition losses, and 25 for exercise and trials.....	4,670	2,881	600	1,189
<i>A/S Torpedoes Mk NC 44 Mod I</i> —An electrically controlled and propelled A/S weapon that can be launched from either a surface vessel or aircraft. The requirement is for a war reserve of 434 torpedoes; 247 for the RCN and 187 for the RCAF.....	11,618	10,982	636	
<i>Torpedoes Mk 46</i> —(Integrated RCN and RCAF Requirements)—An air or surface launched torpedo for use against high performance deep running submarines. The requirement is for first outfitting and war reserves (350) and trials, training and proofing (78).....	27,400		1,000	26,400

APPENDIX B

DEPARTMENT OF NATIONAL DEFENCE

1966-67—ESTIMATES (\$000)

Apportioned by Commands*

Serial	Command	Personnel, and Operation and Maintenance	Capital	Total
1	Maritime	146,607	120,515	267,122
2	Mobile	189,799	90,584	280,383
3	4 CIBG	60,642	14,379	75,021
4	1 Air Div	60,450	11,253	71,703
5	Air Defence	119,813	5,419	125,232
6	Air Transport	67,380	39,611	106,991
7	Training	163,059	16,867	179,926
8	Materiel	114,703	4,950	119,653
9	CFCS	15,682	3,913	19,595
10	CFHQ and Miscellaneous Units (List attached)	123,259	14,955	138,214
11	Reserves	36,090	185	36,275
	Sub-totals	1,097,484	322,621	1,420,15
12	Departmental Administration	5,674		5,674
13	DRB	30,526	13,628	44,154
14	Mutual Aid		21,000	21,000
15	Pensions and Grants	79,497		79,497
16	DCL	2,250		2,250
	GRAND TOTAL	1,215,431	357,259	1,572,690

*NOTE: Based on proportion worked out for the Integrated Defence Programme 1966. The figures for military commands are approximations only.

Prepared by DB
2 June, 1966

MISCELLANEOUS FORMATIONS AND UNITS

National Survival Attack Warning System (NSAWS)
CDN Armament Design and Experimental Establishment
CANSERVCOLS (3)
Canadian Army Staff College
National Defence College
Air Force College
1 Dental Eqpt Depot
Regional Dental Companys and Detachments (17)
Experimental Army Signals Establishment
Engineering, Test and Experimental Establishments (7)
Military District Headquarters (12)
Commanding Officer Naval Divisions
Service Hospitals
Regional Medical Offices and Medical Supply Depots (15)
Personnel Selection Units (6)
Institute of Aviation Medicine
Defence Photo Establishment
No. 1 Base Post Office
Canadian Forces Applied Research Unit
Canadian Forces Recruiting Centres and Detachments (34)
Regional Construction Engineering Offices (5)
No. 1 Construction Engineering Unit
Security Investigation Units and Detachments (10)
Army Survey Establishment
Canadian Defence Liaison Staffs (Washington and London, Eng.)
Military Attachés

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966

STANDING COMMITTEE
ON
NATIONAL DEFENCE
Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 13

TUESDAY, JUNE 28, 1966
WEDNESDAY, JUNE 29, 1966

Respecting
Main Estimates 1966-67 of the
Department of National Defence

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; and Air Commodore
A. C. Hull, Acting Commander, Air Defence Command.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1966

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Brewin,	Mr. Grills,	*Mr. Loiselle,
*Mr. Crossman,	Mr. Harkness,	Mr. MacLean (<i>Queens</i>),
Mr. Deachman,	Mr. Hopkins,	Mr. MacRae,
Mr. Dubé,	Mr. Langlois,	Mr. McNulty,
Mr. Éthier,	(<i>Chicoutimi</i>),	*Mr. Rochon,
*Mr. Forest,	Mr. Langlois	*Mr. Schreyer,
*Mr. Forrestall,	(<i>Mégantic</i>),	Mr. Smith,
Mr. Foy,	Mr. Lessard,	Mr. Stefanson—(24).
		Hugh R. Stewart,
		<i>Clerk of the Committee.</i>

*Messrs. Crossman, Forest, Forrestall, Loiselle and Rochon replaced Messrs. Carter, Fane, Laniel, Matheson and Rock on June 27, 1966.

*Mr. Schreyer replaced Mr. Winch on June 28, 1966.

ORDERS OF REFERENCE

HOUSE OF COMMONS,
MONDAY, June 27, 1966.

Ordered,—That the names of Messrs. Crossman, Rochon, Loiselle, Forest and Forrestall be substituted for those of Messrs. Carter, Laniel, Matheson, Rock and Fane on the Standing Committee on National Defence.

TUESDAY, June 28, 1966.

Ordered,—That the name of Mr. Schreyer be substituted for that of Mr. Winch on the Standing Committee on National Defence.

WEDNESDAY, June 29, 1966.

Ordered,—That, saving always the powers of the Committee of Supply in relation to the voting of public monies, the item listed in Supplementary Estimates (A) for 1966-67, relating to the Emergency Measures Organization be withdrawn from the Committee of Supply and referred to the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House.

REPORT TO THE HOUSE

THURSDAY, June 30, 1966.

The Standing Committee on National Defence has the honour to present the following as its

FOURTH REPORT

Pursuant to its Order of Reference of Tuesday, March 22, 1966, your Committee had before it for consideration the items listed in the Main Estimates for 1966-67, relating to the Department of National Defence.

Your Committee has considered the Estimates for 1966-67, relating to the Department of National Defence (being items 1, 15, 20, 25, 30, 35, 45, 48, 50, 55 and L45), and reports them to the House.

A copy of the relevant Minutes of Proceedings and Evidence (*Issues No. 1 to No. 13*) is appended.

Respectfully submitted,

DAVID W. GROOS,
Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, June 28, 1966.

(17)

The Standing Committee on National Defence met at 9.35 a.m. this day, the Chairman, Mr. Groos, presiding.

Members present: Messrs. Brewin, Crossman, Deachman, Dubé, Éthier, Forest, Foy, Groos, Hopkins, Lambert, Lessard, Loiselle, MacLean (*Queens*), McNulty, Rochon, Smith and Stefanson (17).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Mr. E. B. Armstrong, Deputy Minister; Air Commodore A. C. Hull, Acting Commander, Air Defence Command.

The Chairman introduced Air Commodore Hull, Acting Commander, who presented a briefing for the members on the role of the Air Defence Command. He described also the mission of NORAD and its component relationships, defence systems, determination of intent, concept of operational control, the measure of operational effectiveness, and the recent changes within the Command organization. Following the briefing, the Minister and Air Commodore Hull answered questions.

The Chairman announced that a meeting of the Subcommittee on Agenda and Procedure would be held immediately after the Committee adjourned, to recommend a time for the next meeting. The Committee adjourned at 11.00 a.m., to the call of the Chair.

Hugh R. Stewart,
Clerk of the Committee.

WEDNESDAY, June 29, 1966.

(18)

The Standing Committee on National Defence met at 9.10 a.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Brewin, Crossman, Deachman, Dubé, Éthier, Foy, Groos, Hopkins, Lambert, MacLean (*Queens*), McNulty, Schreyer and Mr. Stefanson (13).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Mr. E. B. Armstrong, Deputy Minister.

The Chairman read the Seventh Report of the Subcommittee on Agenda and Procedure, which is as follows:

TUESDAY, June 28, 1966.

SEVENTH REPORT

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 11.05 a.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Brewin (replacing Mr. Winch), Groos, Hopkins, Lambert, MacLean (*Queens*), and Mr. McNulty (6).

Your Subcommittee discussed and agreed to the following recommendations:

1. That the Main Committee should meet on Wednesday, June 29, 1966 at 9.00 a.m., with the Minister present, to continue the discussion on the Estimates.

2. That the Main Committee should then proceed to an *in camera* session for the purpose of preparing a report to the House on the Estimates of the Department of National Defence 1966-67.

The Subcommittee meeting adjourned at 11.35 a.m.

The report of the Subcommittee was discussed. The members then continued to discuss the Estimates and put questions to the Minister, including references to an antimissile system, morale, contract for services at Camp Gagetown and helicopter training.

On motion of Mr. Deachman, seconded by Mr. Foy,

Resolved,—That the Estimates of the Department of National Defence be reported to the House of Commons today by this Committee without comment.

The question being put on the motion, it was resolved in the affirmative. YEAS 7, NAYS 4.

The Chairman announced that meetings of both the Subcommittee and the Main Committee would be held in the afternoon to consider the Report to the House on the Estimates. The meeting adjourned at 10.30 a.m.

AFTERNOON SITTING

(19)

The Standing Committee on National Defence met at 4.05 p.m., with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Crossman, Deachman, Dubé, Éthier, Foy, Groos, Hopkins, Langlois (*Chicoutimi*), Loiselle, MacLean (*Queens*), McNulty, Rochon and Mr. Schreyer (13).

The Chairman presented a draft Report to the House on the Main Estimates 1966-67 of the Department of National Defence. The draft Report had been concurred in at a meeting of the Subcommittee on Agenda and Procedure held immediately prior to the Main Committee meeting.

On motion of Mr. McNulty, seconded by Mr. Foy,

Resolved,—That the draft Report to the House on the Main Estimates 1966-67 of the Department of National Defence be approved as the Fourth Report of the Standing Committee on National Defence.

The question being put on the motion, it was resolved in the affirmative.
It was agreed that the Chairman should report the Estimates accordingly.
The Committee adjourned at 4.12 p.m. to the call of the Chair.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

TUESDAY, June 28, 1966.

The CHAIRMAN: Gentlemen, we have a quorum. I think I will ask the briefing team to start immediately. The briefing, I understand, will take about 50 minutes, and when the briefing is over I hope we will have some time for questions and also a few moments for business. We have to be out of this room by 11 o'clock.

I would like to welcome, on your behalf, the briefing team from Air Defence Command, and I would like to ask them to start their briefing at this time.

Air Commodore Hull, would you proceed?

Air Commodore A. C. HULL (*Acting Commander, Air Defence Command*): Mr. Chairman and gentlemen, it is my privilege today to review for you the contribution that Air Defence Command makes to Canada's defence commitments.

You have already been given an intelligence briefing which included the threat to North America, and you are aware, from the white paper on defence, as well as from other sources, that we are partners with the United States in the North American Air Defence Command.

A number of you visited Colorado Springs in 1963, and had a briefing on Air Defence Command from Air Vice Marshal Hendricks at North Bay.

For the benefit of the new members I will review the essential background. It is my task today to describe, in terms of air defence elements, or programs, the Canadian resources that we, in Air Defence Command, make available to NORAD, to report on the past years effectiveness of our air defence units and to mention briefly our training commitment in support of the strike reconnaissance squadrons in Europe.

To ensure that our present commitment to Norad is placed in perspective, I will spend a few minutes on historical background, describe North American Air defence as a whole, and outline the relationship and responsibilities of the commander in chief of NORAD and the commander of the Canadian Forces Air Defence Command at St. Hubert. Without the NORAD background a briefing on Air Defence Command would not be too meaningful.

At the end of World War II, as I know you are all aware, North America was relatively immune to air attack. The vast distances between the potential air forces and the probable target areas in North America, as well as the short range and the small load carrying capability of the then existing bomber aircraft, made a major air attack against this continent unlikely. For this reason the air defence forces in North America were almost non-existent. However, in 1949, the explosion of a nuclear device, the unveiling of a long-range bomber by the Russians and the advent of the cold war, brought about the realization that North America's immunity to air attack would not likely last long.

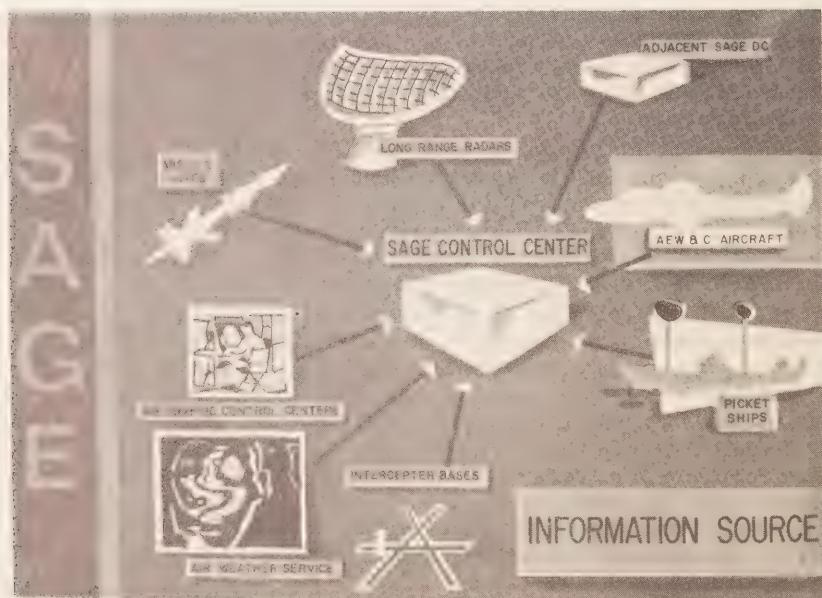
About that time, an air defence group, essentially a planning group, was formed in Ottawa, and a year later moved to St. Hubert where it eventually

became the headquarters of Air Defence Command. For the next four years this headquarters concerned itself with the planning for, and the supervision of, the formation of CF-100 all-weather fighter interceptor squadrons and a number of heavy radar units.

During this period, while there was a great deal of co-ordination of planning and co-operation at all levels between the Air Defence Command of Canada and the Air Defence Command of the United States, and many areas of similarity in doctrine and equipment, nevertheless, the air defence of North America remained for a number of years a national responsibility. That is, Canada and the United States maintained their own separate air defence systems.

However, during this same period, the Soviets re-equipped their long range air force with jet bombers, and their continued production of nuclear weapons gave this force a tremendous destructive potential. Against such a threat, the separate air defence systems employing manual methods of control were inadequate.

Reaction time now became the critical factor. Both the higher speed of the bombers and the need to destroy as many as possible as far from targets as possible, dictated a much higher degree of co-ordination and control of the air defence forces of Canada and the United States than was possible under the then existing joint arrangements. The most effective continental air defence could be achieved only through the creation of a single authoritative command which embraced the forces of both countries and to this end North American Air Defence Command, with its headquarters at Colorado Springs, was established.

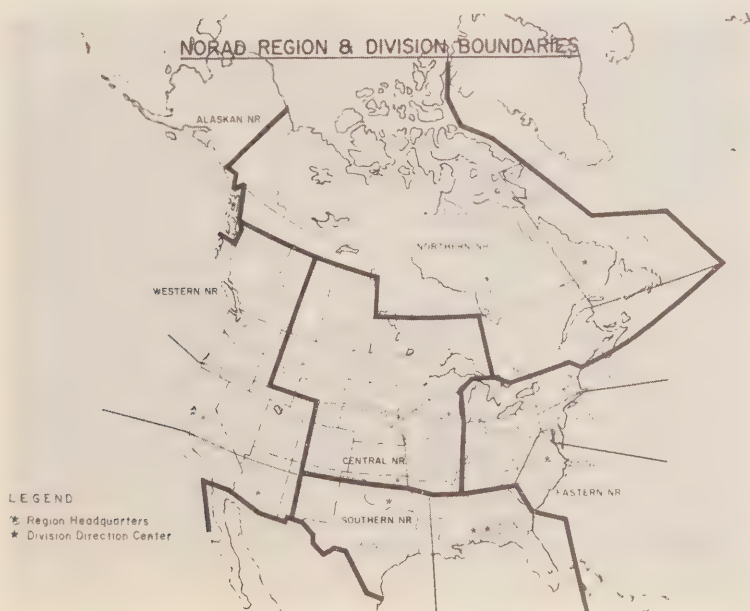


Associated with this decision, and again related to the need for improved reaction time, was the decision to automate as many of their defence control elements as possible, and this developed into the integrated semi-automatic ground environment system, or SAGE system, which is the basis of today's continental air defence.

The NORAD agreement which was officially signed by both countries on May 12, 1958, stated, among other things, that the commander-in-chief of NORAD was to be responsible to the chiefs of staff committee of Canada and the joint chiefs of staff of the United States. Command was to pass to the deputy commander-in-chief during his absence, and the appointment of the commander-in-chief and his deputy was to be approved by both governments; and the agreement stipulated that both should not be from the same country. Similarly, in those regions and sectors which subsequently have been called "divisions", which encompass the air space or forces of both countries, the commander and his deputy were not both to be from the same country.

This is an organizational chart of NORAD and shows the relationship between the commander-in-chief of NORAD and the chief of the defence staff and the United States joint chiefs of staff, with the regions and their divisions subordinate to them. From the green line you will see the contribution that Canada makes to the regions which encompass or cross the border of both countries.

The NORAD mission is to defend continental United States, Canada and Alaska against aerospace attack, to provide early warning of ballistic missile attack and hostile space attack. This involves the detection of all potentially hostile aerospace vehicles, the determination of their intent and their destruction, if necessary.



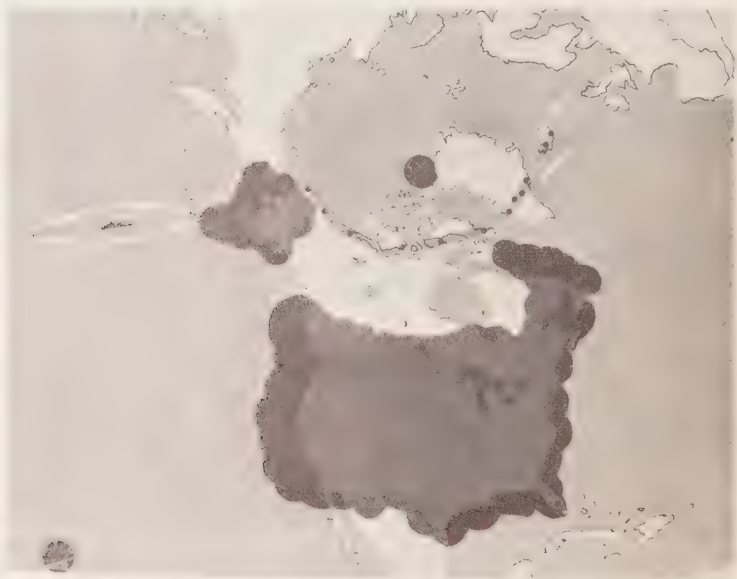
Now, the vast area to be defended, which is over 10 million square miles, has necessitated some decentralization of control. We saw it on the organizational chart a moment ago, and this is a geographic presentation. To accomplish this decentralization of control, the continent has been divided into six NORAD regions and the commander of these regions is directly responsible to the commander-in-chief of NORAD. The regions are further divided into divisions, and the commanders of these divisions are responsible to their respective regional commanders.

NORAD, in its purest sense, is a command structure consisting of a headquarters at Colorado Springs and various region and division headquarters throughout the United States and Canada. It has no forces of its own. Its fighting strength is derived from the component commands and these, as you see, are the United States Air Force Air Defence Command, the United States Army Air Defence Command and the Canadian Forces Air Defence Command.

NORAD is responsible for the operational control of all forces assigned to NORAD. The component commanders, on the other hand, are responsible for national command, training, administration and logistic support of those forces which they have assigned to NORAD.

I mentioned previously that the NORAD mission involves three basic actions, detection, determination of intent, and, if necessary, destruction.

Let us now examine these in a little greater detail. Today the NORAD mission has grown from simple air defence to aerospace defence. It must be on guard, not only against manned bomber attack, but also against ballistic missile attack and the possibility of a space threat. Literally, it must watch the whole area over the North American continent from the ground to the atmosphere,



and for this it has three different surveillance systems, all of these systems feeding information through the NORAD operation centres to the combat operation centre at Colorado Springs.

The first system is the manned bomber surveillance network and it comprises a network of radar covering the heartland of the continent and the DEW line across the north extending from the Aleutians to Greenland, being extended by early warning radar aircraft out into the Pacific and across to England.

Here we have a typical DEW line site. You can see the familiar radar dome. These are communication screens and this is a dopler aerial for the dopler fence which is associated with the unit.

The next is a typical radar unit in the heartland of the continent, and it has a search radar and two height-finder radars associated with the radar unit.

The second NORAD detection system is the ballistic missile early warning system or BMEWS. BMEWS sensors are located at Clear, Alaska, at Thule in Greenland and at Fylingdales Moor in England. These are huge radars. You can see at one site four of them, and each of these screens is the size of a football field; and over here we have a tracking radar. These radars can detect missiles at 3,000 miles, and this provides a minimum warning of about 15 minutes of the approach of a missile attack. This warning is automatically transmitted and is displayed at the NORAD operation combat centre, as well as being relayed to the headquarters of Strategic Air Command, the Pentagon and National Defence Headquarters here in Ottawa.

The third surveillance system is the space detection and tracking element of the NORAD space defence system. It is a part of the NORAD combat operation centre at Colorado Springs, and the space defence centre portion of it receives information from a global network of sensors. It has the task of detecting, tracking and cataloguing all man-made objects orbiting the earth.

Turning now to the determination of intent, just as there are systems for the detection of aircraft missiles and space objects, there are three different means of determining intent. First, the detection of aircraft must be followed by rapid and accurate information and identification. Because the enemy can choose the time and place of an attack, NORAD must know the identity of all aircraft over or approaching the continent at all times.

To accomplish this, stringent rules have been imposed on all air traffic penetrating, or operating over, the continent or the air space designated as air defence identification zones. These zones are established along the coast, border and the northern approaches to the continent.

The principal method of identification is based on flight plan correlation. That is, information obtained from in-flight amendments and position reports is compared with an actual radar track. For example, from a flight plan of an aircraft en route from London to New York, it should be within a certain reserve air space outlined in green. At the appointed time, no aircraft is in it, but one is detected outside of it. To ensure that this aircraft is indeed that airliner, an interceptor may be scrambled to intercept and visually identify it.

As an additional means of identification, every large aircraft, military and civilian, is equipped with a transponder which places a coded signal on ground

radar screens. This is known as the selective identification feature, S.I.F., and it is also used as an aid to air traffic control in high density air traffic areas.

It is of interest to note that in any 24 hour period there are more than 200,000 aircraft flights taking place in the NORAD area of responsibility.

Now, although the determination of intent of I.C.B.M. launches does not take place so frequently, nevertheless, it must be no less sure. It is accomplished by the BMEWS radars and their associated computers. Each radar provides coverage in narrow fans at two different angles of elevation above the earth surface. When a missile passes through the lower fan, a radar pulse reflects from it and triggers off an alarm, the tracking radar and the computer. As the missile passes through the upper beam, the presence of the missile is confirmed, as well as giving an indication of its trajectory. At this point the tracking radar takes over to determine the velocity co-ordinates. The computer then calculates not only the trajectory, but also the point of launch and the impact point and time. This is displayed immediately on a special map in Colorado Springs. Here you see, under synthetic exercise, the probable launch points of three I.C.B.M.'s in Russia and their probable impact point in the southern United States. That is the type of presentation that would be shown at Colorado Springs. Obviously, if the impact point is in North America, or other allied territories, it would be declared hostile.

In the third system, the space defence centre at Colorado Springs catalogues all man-made objects orbiting the earth. It discriminates space vehicles from debris, it determines orbits and keeps a schedule of satellite position and predicts future position. By this method, it is possible to determine when a new object has been put into space and, from its orbital and electronic characteristics, to determine its probable use. This is a picture of a NORAD space defence operation and you see here a listing of the objects that are, at that moment, over the earth with their characteristics. The space defence centre here receives more than 10,000 satellite observations daily.

Lastly, I turn to the destruction phase, and in this I must limit myself to the destruction of manned bombers since today there is no operational system in NORAD which is capable of destroying I.C.B.M.'s or space objects.

The Minister, in his statement to you on May 12, made reference to the development of the anti-missile system.

Against the manned bomber, the NORAD concept involves a family of weapons providing defence in depth. An attacking force will be subject to continuous attack from as far out as possible; first by long range manned interceptors and or the pilotless interceptor of the Bomarc type, and, in the final stages, by shorter range surface-to-air missiles such as Nike, Hercules and Hawk. Here we have a composite picture of the interceptors making up the NORAD inventory, the Canadian CF-101 the American F-101, F-102, F-104 and F-106. Here we have their weapons, a side winder, two different types of Falcon and the Genie air-to-air nuclear missile. The next we have is the Bomarc and the Nike-Hercules batteries which are manned by the United States Army Air Defence Command and finally a Hawk battery.

Now that we have examined the elements separately, let us see how they are employed as an air defence system. Information from the detection units,

the BMEWS, the DEW line and the radar units, is transmitted almost instantaneously to the control centres at the division, region and at Colorado Springs which is now located in Cheyenne Mountain just southwest of Colorado. At each of these levels the information is assessed and evaluated with the assistance of computers, and, as required, information is relayed to the higher headquarters. When necessary, instructions are passed to the interceptor and the missile sites. From scramble of the fighters, or the launch of the surface-to-air missile, control is exercised by the weapons director—this officer here—and the gun that you see in his hand is a light gun with which he is interrogating a radar blip to get the necessary information he needs from that particular aircraft—what the speeds are, whether it has been identified, and all the information he needs to perform his task. It is the weapons director who exercises control of either the interceptor or the Bomarc missile.

A term that is used frequently throughout NORAD is "combat readiness". To be able to defend against a surprise attack, all elements must not only be in top condition but they must be ready to react immediately. The radars must be manned around the clock, the missiles must be capable of being fired quickly and a portion of squadron aircraft and crews must be on a high state of alert at all times, including some on five minutes state, which means they must be capable of becoming airborne, fully armed, within five minutes of receiving a scramble order. To do all these things requires a high standard of maintenance which is rigidly controlled and, of course, continuous training. Units and the system as a whole are evaluated continually through exercises, unannounced spot checks and a daily analysis of equipment performance.

I mentioned previously that the commander-in-chief of NORAD is responsible for control of all assigned forces, with the component commanders responsible for national command, training, administration and logistic support. The division of responsibility is illustrated on this slide.

First, NORAD sets the criteria for combat effectiveness and operational readiness. Air Defence Command trains the forces to, and maintains them at, this level. Then NORAD operates the assigned forces as a defence system and measures their success or failure. Air Defence Command then takes corrective measures where necessary to achieve the NORAD criteria.

Let us now turn to Air Defence Command, and its specific responsibilities. First, its role is to provide the combat-ready air defence forces required to meet Canada's defence commitments, and the major responsibilities of its commander are to command, administer, train, support and place under the operational control of c-in-c NORAD all air defence command units having an air defence capability; to advise the commander in chief of NORAD and the chief of the defence staff on matters pertaining to Canadian air defence procedures, forces, equipment and facilities; and, finally, to provide operational strike reconnaissance training for air crews for Number 1 air division in Europe.

There are four basic programs in Air Defence Command. They are: The CF-101 program, with three squadrons and four bases, the three squadrons being Comox, Bagotville and Chatham and Val d'Or.

In the Bomarc program, we have two squadrons, one at North Bay and the other one at La Macaza.

In the third program, the control environment, we have 29 radar squadrons across the country.

Our fourth program is the CF-104 and this involves a transition training unit at Chatham and an operational training unit at Cold Lake. In other support we have the satellite tracking unit and the electronic warfare unit.

The highlight of Air Defence Command's activities during the past year was the attainment of a nuclear alert capability at our CF-101 squadron bases. We met, or exceeded, all assigned objectives of operational effectiveness by a progressive schedule of inspections and evaluations tactical evaluations, alert force capability tests, nuclear capability tests and the emergency defence plan tests.

We also were involved in intensive nuclear safety program and, of course, continuous squadron training and assessment to ensure the fulfilment of the NORAD alert requirements; and finally, a comprehensive schedule of nuclear defence training and testing.

In other words, every facet of a unit's operation was tested and assessed to expose any deficiencies in equipment, personnel or procedures, which might have a bearing on mission effectiveness and which might be improved by unit or command action.

In addition to our own command evaluations, we were tested by NORAD, by teams from C.F.H.Q. and the United States Air Force Air Defence Command who share with us the responsibility for nuclear safety standards. In all these evaluations we successfully met the required standards.

Let us look in some more detail at the CF-101 program. The task of the CF-101 squadron is to provide and maintain the capability to intercept, identify,



CF101 "Voodoo"

and, if necessary, to destroy any air supported vehicle. As I have mentioned, it is performed by the three squadrons at Comox, Bagotville and Chatham. In an emergency, the operational training unit at Bagotville provides additional aircraft and crews. A significant achievement of these squadrons is that in the four and a half years of operation, there has been no loss of life associated with the CF-101 aircraft.

The CF-101, or Voodoo, is a two place twin-engine all weather interceptor weighing about 14 tons, when it has a full fuel load and armament load. It has a fire control system which is coupled to the aircraft auto pilot and can receive command through a data link from the SAGE centre. Therefore, during the initial stages of an intercept, the aircraft may be controlled directly by the weapons director at the SAGE centre, or it may be flown manually by the pilot on verbal instructions from the weapons director. At a certain range from the target, the navigator picks up the target on the aircraft radar and directs the intercept from that point on.

The CF-101 is assessed as one of the best of the current interceptors. It can reach 35,000 feet in $2\frac{1}{2}$ minutes from brake release on the runway. It can cruise at speeds in excess of 1,000 miles per hour, and can engage targets at altitudes above 60,000 feet within a radius of action of 500 miles from its base. It can carry a variety of weapons, infra-red or heat-seeking missiles as well as the nuclear air-to-air missile.

Let us examine some aspects of the past year's performance of the CF-101 squadrons. We have been able to maintain the required level of crew proficiency by meeting our sortie rate per crew per month. If for any reason our rate had dropped below the shaded area, our crew proficiency would have been in doubt. We also met our goal for successful sorties in both daily training and exercises—the two lines— one, daily training and NORAD exercises. This measures not only our aircrew proficiency, but also the maintenance personnel and the weapons directors. Although we dropped below the aircraft combat-ready standards during one month, this affected only one squadron.

Here we have a view of the CF-101 ground support equipment, and here we have an engine change in progress, to give you some idea of the size of the engine from the personnel working on it.

We also met our aircraft armament goal. This is a measure of our aircraft fire control system, and the chart is based on a daily report. The verified not confirmed area are those aircraft which have been checked on the ground but have not yet had an opportunity to be flown and tested in the air; but you will note that we have met the standard throughout.

Here we have a heat-seeking missile being inspected, and, on the next slide, a fire control system tested.

The efficacy of our annual results was demonstrated in a live firing which took place during the United States Air Force worldwide competition. Not only did the squadron team do well, but we also learned valuable lessons. In all the capability inspections, tactical evaluations and nuclear safety surveys, which were conducted during the year, the squadrons received satisfactory ratings in every case.

Our next program is the Bomarc program and the task of the Bomarc squadron is to maintain at instant readiness a very large percentage of the squadron missiles. Since the two squadrons are in eastern Canada at North Bay and La Macaza, they provide, in conjunction with the manned interceptors, protection of the major eastern target area. You see here the missile area.



BOMARC

The Bomarc is essentially a long range supersonic pilotless aircraft. It has a cruise speed in excess of mach 2.5 or some 1,700 miles per hour, and can engage and destroy bombers or cruise missiles at altitudes up to 100,000 feet and out to 400 nautical miles. It uses two separate means of propulsion during flight. During the take off phase, the propulsion is provided by a solid rocket booster which propels the missile from the vertical position you see it in now—this is the assembly in the tail of the aircraft—to about 40,000 feet. At that point, the two ram jet engines—you see one of them here—take over and accelerate the missile to its cruising speed.

There are also three guidance systems on board this aircraft. The first is an inertial system which guides the missile through the launch and the initial stages of flight. The second system is a command guidance type, which permits the missile to be guided through the SAGE data link from the direction centre to within a specific range of the target. The third guidance system is a self-contained target acquisition radar system which homes the missile onto the target. The Bomarc is capable of extremely quick reaction. They can be erected and

launched from their all-weather shelters within 30 seconds at any hour of the day or night and in any weather.

Although we had some difficulty at the beginning of the year, you will note that, for the balance of the year, we exceeded by a considerable margin, the combat ready hour requirement. In terms of the number of combat ready missiles we achieved the goal throughout the year.

Quality control of each missile is very rigid and it involves a detailed check, against performance standards, of every element that forms the part of the Bomarc. I believe I am not overstating the case when I say that the performance standards differ little from those set for manned space shots.

During the year we participated in the combat evaluation launch program by firing a Bomarc on the test range in the United States. It was a flawless launch and intercept, and again we have gained invaluable experience from this exercise.

The Bomarc squadrons were subjected throughout the year, as was the case of the interceptor squadron, to tactical and technical evaluation and nuclear survey, and in every case they met the required standards.

Next we have the control environment. The control environment, as you recall, provides the detection, tracking and the weapons control portion of the air defence system, and includes the DEW line and the radar units.

We contribute to the operations staff, and the military commander at each of the main Dew line points in Canada. This is a picture of one of the main DEW line sites. Here is the radar and the dopler and the communications links. You can see the type of construction at a DEW line site.



DEW Line Site

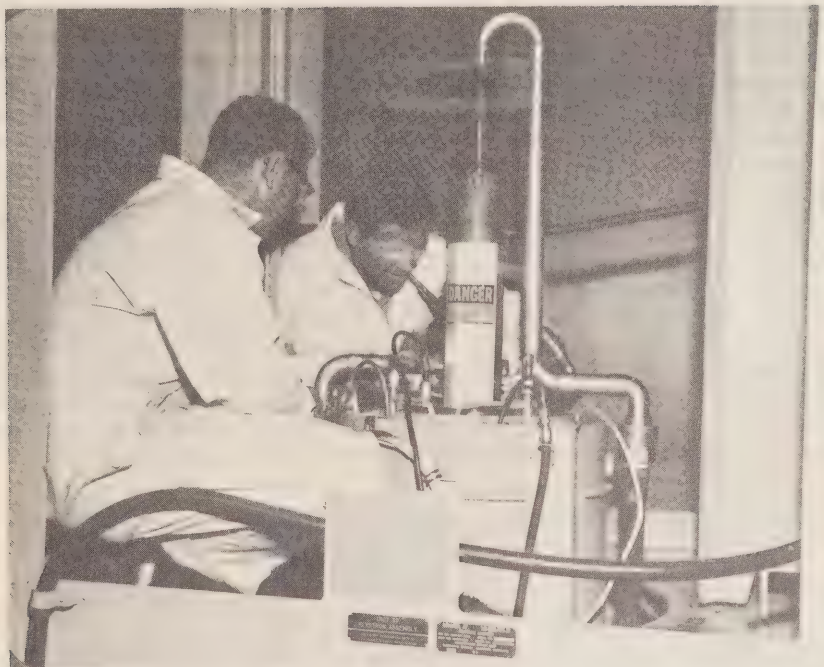
The equipment on these sites is maintained, and other support provided, by the Federal Electric Corporation under contract to the United States Air Force.



Radar Site

We are turning now to the radar units. As you will recall, we man and operate 29 of these units across the country from coast to coast. The significant differences between military and civil radar are that military radars have higher power requirements for greater range, sophisticated measures to counter electronic jamming and the requirement to measure height accurately. Again, to counter electronic jamming, we operate three types of radars in widely separated frequency bands. We will recall, again, that a typical radar has a search radar and two height finders.

The building supporting the radars contains electronic equipment, high voltage electrical supply, gas pressurization, liquid cooling and air conditioning systems. The whole system is as large and as complex as a modern destroyer.



Klystron Tube

Let us look for a moment at some of these elements. This is the klystron tube which is the heart of the radar. It is being readied for installation, as you will see, and it generates radio energy which is sent out in millisecond bursts of some 15 million watts—enough power, if sustained, to supply electrical power to a small town, or to drive a diesel freight train across Canada.

Throughout the 24 hours of every day, technicians monitor control panels such as this one and watch the many T.V. type video tubes to select the best information, particularly in E.C.M. condition, for processing through the computer in a coded form for transmission to the SAGE centre. This equipment must be constantly maintained and serviced to meet the required standards of performance.

Evaluation of our radars is conducted in three ways. Two of them are shown on this slide. On the data reduction analysis, it is done on almost a daily basis by the computers at both the radar and the direction centres, and covers each major element that makes up the particular radar.

The second system is the unit technical inspection visit, where again, through examinations and monitoring of the activities, we get a measure of the competence of the operator in each of the equipments.

The third system is the PEGE, or program for evaluation of ground environment, and it involves data sampling during controlled aircraft flights.

In these three evaluation systems, we establish a MIG, or a management information goal, which each unit much achieve. The next few slides are representative samples of our performance. The first in the data reduction series, you will recall the computer run, is the performance of our most complex type of radar, and you will see the management information goal is set at that black line. The next slide is the comparable height finder, and the third is the effectiveness of the selective identification feature which I referred to previously.

The next slide is a partial list of a technical visit assessment, and the management information goal is the line between the two shaded areas. You will see that our performance, except at the beginning of the year in ancillary equipment, was well above our expectations.

Finally, in the PEGE series—these are the measurements against actual controlled flights—we have search radar detection. This is a measure of the radar's capability to detect at its maximum distance, and, secondly, the height finder accuracy, and since the timely supply of essential components plays an important part in maintaining on-the-air standards, we monitor the supply function and this chart shows the steady reduction in resupply time.



CF104 Aircraft

I turn now to our last formal program, the CF-104 program. The task in this program is to produce trained aircrew and ground crews for the CF-104 squadrons in Europe and it involves training at the Sabre transition unit at Clonham and the strike reconnaissance operational training unit at Cold Lake.

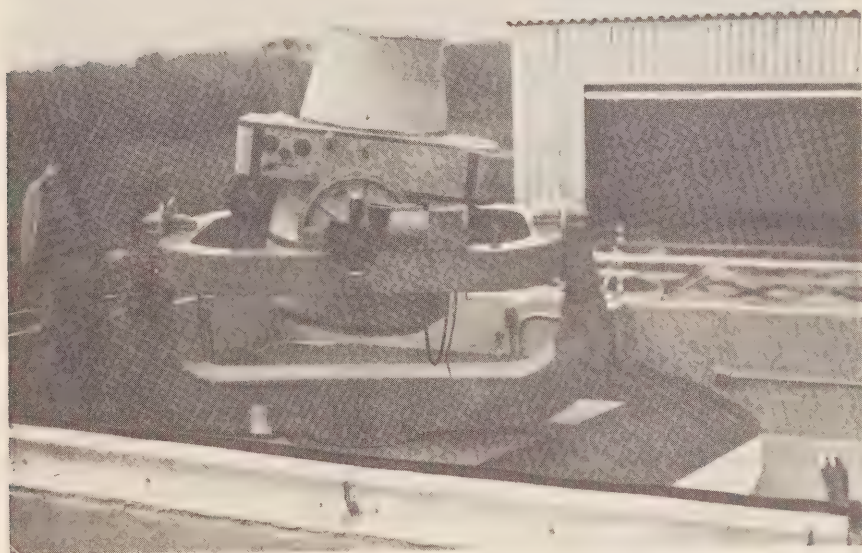
In this program we met our goal in numbers of pilots, and exceeded the qualitative standards in both the radar delivery performance and in the visual delivery performance.

Again, for a moment, let us examine some of the technical elements associated with the CF-104. Here are some views of airmen conducting a periodic inspection. During these inspections, some 1,735 operations and inspection items are carried out on a periodic basis.

These next airmen are re-assembling a J-79 engine for the CF-104 and, after installation, are giving it a run-up. As you will note, it is in the evening.

These airmen are carrying out an alignment of the aircraft radars. Because of the low level role, particular care must be taken to ensure that the radar accurately depicts the features of the terrain. The radar is checked again after installation in the aircraft.

Finally, of the other programs there are two which I will refer to only very briefly. They are the satellite tracking unit at Cold Lake and the electronic warfare unit at St. Hubert.



Satellite Tracking Unit Baker-Nunn Camera

The satellite tracking unit, which is our contribution to the space detection and tracking system, operates a Baker-Nunn camera. This is one of five in the space detection system, and it is capable of providing the most accurate information about space activities. Orbital objects are recorded on the film and

their characteristics are determined from the star background. The camera is capable of photographing an object the size of a basketball, 50,000 miles in space.

While the unit experienced some difficulties due to weather and equipment, it generally met the performance standard throughout the year.



Electronic Warfare Unit CF100 Aircraft

Finally, the electronic warfare unit. This unit provides the electronic warfare training for the aircrews at the operational training unit, on the squadrons, as well as the operators at the radar units and the weapons directors at the direction centres. It is equipped with the CF-100 aircraft, which are fitted with electronic and mechanical jamming devices of the type expected in any attacking force. It provides training on a daily basis, as well as during carefully planned air defence exercises. It is a very effective force and contributes a great deal to the proficiency of elements of the air defence system located in the United States as well as in Canada.

My final words concern integration. Integration has not significantly affected air defence command, because we are already a functional command and we are unique among the Canadian Forces in the air defence task.

Some of our bases have taken over the responsibility of providing support services to neighbouring units, but the remote location of many of our units limits our participation in this concept.

However, one aspect of integration of significant impact is the amalgamation of Air Defence Command Headquarters with that of the Northern NORAD Regional Headquarters at North Bay. The commander will have a dual responsibility, as the commander of the northern NORAD region and Air Defence Command.

The operational staffs will move from St. Hubert this summer and the balance will follow as soon as accommodation is available.

As a result of this move, personnel establishments of the two headquarters are being reduced by 131 positions, or 30 per cent of the two combined establishments.

In addition, during the past year, we have reduced our total personnel establishment through work measurement and management engineered studies by some 500 positions.

These reductions, plus those arising from the headquarters amalgamation at North Bay, represent a saving in excess of \$3 million in personnel costs alone.

Notwithstanding this reduction in positions, we have over the past year encountered increasing difficulty in manning some of our critical trades particularly at the radar units. These require highly skilled tradesmen, whose talents are in great demand elsewhere.

That, Mr. Chairman, concludes my brief.

The CHAIRMAN: Thank you very much.

Gentlemen, we have some time left for questions and if there is any time left after the question period perhaps we could carry on with some other work which I mentioned to you earlier on.

I do not have anyone on my list with questions at the moment. Mr. Lambert, do you have some questions?

Mr. LAMBERT: Both within the NORAD complex and the air defence complex of Canada we have no independent air defence role.

Air Commodore HULL: All of our activities in air defence are integrated into NORAD.

In air defence command we do have the ancillary task of providing the training for the air division squadrons in Europe.

Mr. LAMBERT: In so far as actual air defence. Does the same apply to the United States air force. Have they an air defence role outside of NORAD in which we, as members of the NORAD agreement, have no participation whatsoever?

Air Commodore HULL: They have assigned interceptor squadrons to NORAD, which are all part of the continental air defence system.

They will have squadrons in tactical commands, for example, which have an air defence capability to be employed in other theatres in the world.

Mr. LAMBERT: Yes; but, I mean, when we are talking about North American defence, are there any aspects of North American defence which are not part of NORAD?

Air Commodore HULL: I am not sure, Mr. Lambert, that I understand completely, but I could make a statement that all air defence forces that have been assigned by the United States Air Force to NORAD are on the same basis as the Canadian squadrons.

Mr. LAMBERT: Yes; but that does not meet the point. We have assigned everything to NORAD and they have assigned everything to NORAD in so far as North American air defence is concerned?

Air Commodore HULL: Yes, sir. They have tactical squadrons which are outside of the continent.

Mr. LAMBERT: That is fine. That is all I want to know on that particular point.

Mr. BREWIN: I want to question the Minister primarily about this anti-ballistic missile defence and perhaps it would be better if I postponed those questions while the briefing officers are here.

The CHAIRMAN: We shall see how the rest of the questioning goes, and if there is time we will switch back to you.

Mr. SMITH: What is the latest long range manned bomber that the Russians have built. I do not mean the last one that came off the production line, but the last model that represented any departure.

Air Commodore HULL: Was this not covered under the intelligence briefing?

I do not believe that I could answer that question in detail.

Mr. SMITH: Is there in contemplation any plane which primarily performs the same function as the Voodoo?

Air Commodore HULL: Russian built?

Mr. SMITH: No. I am talking about American-built now.

Hon. PAUL HELLYER (*Minister of National Defence*): Are you talking about an improved generation interceptor?

Mr. SMITH: Yes.

Mr. HELLYER: I think the one plane which is recognized as a future generation, if required, is what is known as the A-12, a Lockheed Corporation development. It has a very high speed and a very long range, and could be used as a follow-on interceptor, if required.

Mr. SMITH: But we have not acquired any of those?

Mr. HELLYER: Neither the United States air force nor ourselves have acquired any up to the present time for that role.

Mr. SMITH: Have the Americans acquired any planes in between the Voodoo and this proposed A-12 which is in production, for bomber interception?

Mr. HELLYER: Only the ones shown by the air commodore today, the century series, the F-101, F-102, F-104 and F-106. They are all in the same generation.

Mr. SMITH: Of that range we have not acquired any?

Mr. HELLYER: We have the F-101.

Mr. SMITH: I know that.

Mr. HELLYER: And we have F-104's which we do not use in this role.

Mr. SMITH: But we have not acquired any interceptors to replace the Voodoos.

Mr. HELLYER: No.

Mr. SMITH: Are we in contemplation of acquiring any?

Mr. HELLYER: Not at this date; the Voodoos are good for a number of years' additional service, and this is a decision which does not have to be made, perhaps, for another two or three years.

Mr. SMITH: The Voodoos are presently out of production, are they not?

Mr. HELLYER: Yes.

Mr. SMITH: Do we have a supply of reserve Voodoos that we are not using?

Mr. HELLYER: I think we have enough to operate the three squadrons into the 1970's.

Mr. SMITH: Has our having them resulted in some of our interceptor squadrons having been deactivated?

Mr. HELLYER: No; the 66 originally were acquired as a "swap" deal with the United States, and at the outset the R.C.A.F. formed five squadrons, but they were small squadrons and the overhead of operating five was considered too high for the number of airplanes involved, and we reconstituted them to three squadrons.

Mr. SMITH: And the attrition rate among the Voodoos is fairly low?

Air Commodore HULL: We still have 62.

Mr. SMITH: In other words, it is a very safe plane.

Mr. HELLYER: They have very low attrition.

Mr. SMITH: When we saw them at North Bay a couple of years ago the pilots were high in their praise of their safety.

Mr. HELLYER: I think the air commodore would agree that it is an excellent aircraft.

Mr. SMITH: They were also high in their praise of the fact that it is a two-place plane. Does that not contribute generally to the safety of planes, when there is such a complexity of things for a single pilot to do?

Air Commodore HULL: The reason, in the case of an interceptor, is primarily to divide the intercept aspect. The navigator in the rear cockpit is looking at a radar screen. It can be done by a pilot alone, but by having the two men there the job can be done much better, particularly under electronic counter-measure conditions.

Mr. SMITH: It has sometimes been suggested that the Starfighter would have been a safer plane if it had been built as a two-place plane.

Air Commodore HULL: That is not my opinion.

Mr. SMITH: It has been suggested, though, has it not?

Air Commodore HULL: I would suggest that perhaps it is more related to other things than the aircrew components. They are a quite different airplane, and their roles are quite different.

Mr. HELLYER: The thing that would have made the Starfighter safe would have been to have two engines.

Mr. LAMBERT: There are a number of charts which indicated, shall I say, the layout of the actual defences on the North American continent.

For years now there has been some sort of thought—in some cases it has been almost amazement—that there appears to be an undefended centre on the North American continent; in other words, coming down the great gut of the

central portion of Canada, west of the Great Lakes and east of the Rockies, then down into the United States; and this is particularly apparent in Canada.

Knowing the limited range of the interceptor craft and of the Bomarc, what is the coverage in actual airborne vehicles down that central portion of North America?

Air Commodore HULL: Would you like me to show it on the slides?

Mr. LAMBERT: Yes, if we could have a suitable slide.

Air Commodore HULL: You will recall that I mentioned the heart of the radar. This is controlled radar. In many ways that is what differentiates it from the DEW line. It is in this area that we control air traffic, and the radars on this level are those provided in Canada at places like Penhold, Alsask, Dana, Yonkton and Gypsumville. You may be going back quite a few years, Mr. Lambert, when we did not have those radars and it was an obvious gap.

Although we do not have fighter squadrons in Canada, there are fighter squadrons almost on the border, just south of us, and their air range is quite sufficient to reach up into the top level of this chart.

The reason I am going to show the geographic one is to show that the whole area is divided into the regions and divisions.

There used to be an area here that was blank, and these are the headquarters or the divisional control centres.

As you can see, the whole area is now covered. Some areas have a greater weight of defending forces than others, but the whole area is now covered.

Mr. LAMBERT: In so far as that 28th district—

Air Commodore HULL: The 28 NORAD division.

Mr. LAMBERT: —NORAD division is concerned, for the northern reach, in which you find Cold Lake air base which has not got its own defence, those are not operational aircraft that you have there?

Air Commodore HULL: They are primarily there for training purposes.

Mr. LAMBERT: And they are mostly CF-104's that you have at Cold Lake, so that they do not enter the picture at all.

In the northeastern portion of the 25th NORAD district, I would wonder whether those districts are beyond the operational range of the aircraft if these aircraft are based in the United States?

Air Commodore HULL: That is not the case. In North Bay, for example, or in Sault Ste. Marie, they reach up and take full advantage of the control capability of the radar.

The same is true from the places in the Dakotas and in the Selkirk basin just south of our border. We have a radar unit at Cold Lake as part of this whole system, as well as the CF-104 training.

Mr. LAMBERT: Yes, but with the greatest respect, you may tie in the aircraft into a new radar control, but you have to have the ground environment to handle the aircraft. That aircraft, once it is up in the air, must return to a base that can handle it, and unless those are shifted into Cold Lake how can you say that the aircraft is tied up into Cold Lake for all purposes?

Air Commodore HULL: I can only assure you, sir, that an interceptor, a 106 or a 101, taking off from here and can fly up here over Cold Lake can return to

its base here. It could, however, land at Cold Lake and be turned around if it did have to loiter in the area, for example, for an undue length of time.

I can only assure you that the fullest use in that area is being made of the interceptors which are associated with that division.

Mr. LAMBERT: Are you satisfied that it is thick enough for that sector of the county? I am asking your professional opinion here. This is what I am getting at, and I want to be satisfied. It used to be awfully thin. From what you have said now it seems to have improved, but I want to be satisfied as to that.

Air Commodore HULL: I think you are asking a question that is very difficult to answer. It can only be answered by weighing up costs and effectiveness against the probability of the threat in that area.

Mr. LAMBERT: That is still not a satisfactory answer. May we maintain that slide please; I would like to pursue it.

Cold Lake appears to be the base from which you would operate both the northeast sector of the 25 NORAD district and the northern portion of the 28 NORAD district. There are no others?

Air Commodore HULL: No, the squadron at Comox on Vancouver Island can reach up into that northeast corner.

Mr. LAMBERT: It would be with its last gasp, I suppose?

Air Commodore HULL: No, sir. I mentioned the 500 mile radius. That is 500 miles out and another 500 miles back again and still fight at that point.

Mr. LAMBERT: As a continuation, we have these 62 planes, and we have two Bomarc squadrons. Do they represent a certain proportion of the North American air defence? Can you give us an idea of what proportion that is? Is it one tenth?

Air Commodore HULL: Approximately one tenth, yes.

Mr. LAMBERT: I will ask this next question of the Minister: Is the Minister satisfied that this is an adequate participation in North American defence?

Mr. HELLYER: Yes, quite adequate. I think my hon. friend probably knows that the program for the next five years is a very substantial reduction in the number of fighter squadrons in the North American air defence system.

You must appreciate that all of these capabilities are related to the probability of the threat in the area. Although we are maintaining, through the balance of this period, the three squadrons and the two Bomarc squadrons, there will be, in the United States, a very substantial reduction in interceptor squadrons, notwithstanding the fact that the airplanes are available. This is directly related to their assessment of this threat, vis-a-vis other defence requirements.

Mr. LAMBERT: In other words, our proportional contribution to airborne vehicles in North America over the next few years will gradually depreciate until the next phase is reached?

Mr. HELLYER: It will be larger proportionately as the U.S. reduce the number of squadrons they have in service.

Mr. LAMBERT: And what is that target date. Would that be in 1973 or 1975?

Mr. HELLYER: I think the fiscal period they are talking about now is the end of the fiscal year 1970.

Mr. SMITH: I have a supplementary question. The Americans, therefore, put a relatively low, low priority, or danger factor, on the likelihood of a manned bomber attack?

Mr. HELLYER: I would not put it that way. I would say that they put a relatively low priority on it. I would just say that, looking at their total expenditures and their total capabilities, they thought that the amount of resources going into bomber defence was out of line with the amount going into other areas, and, therefore, that there should be some readjustment.

Mr. SMITH: Then this question comes to mind: It is hard to know what the threat of a manned bomber is, but are our 62 Voodoos and I do not know how many Bomarcas are real defence, or are they just a charade?

Mr. HELLYER: I think if you asked the men who operate them they would say they are very real and very effective. There is just no question that if you undertake a study of the damage-limiting factor of this capability it is very real. In other words, the North American air defence system, in the event of an attack at the present time, would reduce the damage very materially due to the attrition of foreign bombers.

Mr. SMITH: Perhaps the investment we have in Starfighters in Europe would be better spent in North American air defence?

Mr. HELLYER: You are now getting into the scale of probabilities, and whereas the central front in Europe seems to be quite stable at the moment, this mobility, I think, is related to North American air defence, in the sense that if you had real hostilities in one area you could very easily have real hostilities in the other area.

Mr. SMITH: Perhaps we are so small that we have to put, or ought to be putting, our eggs in fewer baskets and making a more real contribution in one place.

Mr. HELLYER: I think we are making a very significant contribution to the deterrence of war, in our air defence capability, our anti-submarine capability and the forces in Europe, which are part of a deterrent force.

The CHAIRMAN: Did you want to ask a supplementary also, Mr. Brewin?

Mr. BREWIN: I think my question is very much related to this whole subject which we are discussing.

I noticed that in the briefing there was a reference, amongst others to the very high standard, that our forces were showing in the field in regard to something called nuclear safety. I wondered just what was meant by that, and perhaps this is where the question arises.

Supposing one contemplated the possibility of a full scale Russian air attack on North America, and supposing one contemplated that they would use ICBM's as well as manned bombers as the next phase, would it not be true that the lines that we and the Americans have are entirely vulnerable to a missile strike, and that there is no such thing as any nuclear safety?

I know it would be a devotion of limited resources to the purpose, but would it not be perfectly simple to take out the North Bay and the La Macaza bases and thereby make a whole lot of this defence virtually useless?

I would like to know if there is any answer to that, because if you are vulnerable, then surely your enemy is going to destroy you before he launches a weapon against which you have this elaborate defence.

Mr. HELLYER: Mr. Brewin, the nuclear safety referred to in the briefing this morning, as I understand it, referred to nuclear safety in the handling of the weapons.

Mr. BREWIN: Oh, I see. It had nothing to do with safety against someone else's nuclear weapons. I understand now.

That still leaves the other question: Is there any great point in setting up an elaborate but vulnerable defensive system?

Mr. HELLYER: I do not think there is any question at the present time, on the basis of inventories of weapons of any potential enemy, that they would not undertake an attack using missiles alone; that they would use their total inventory under those circumstances. There is equally no question that even the defence we have at the moment against one part of that threat would reduce the damage very materially.

This is simply a mathematical equation of matching weapon systems including missiles against the number of targets.

Mr. BREWIN: In other words, if they chose our two bases at North Bay and La Macaza as targets, with a view to opening the way up for a bomber strike, this would reduce the number of other available targets, and they might serve some useful purpose in damage-limiting respect, in the sense that they could not use the same missile to destroy some other target. Is that what it is?

Mr. HELLYER: They cannot use the same missile on two different targets.

Mr. LAMBERT: Air Commodore Hull, you concluded your remarks with some observations about certain deficiencies in numbers of your technical ground personnel. Are there any reasons other than, shall we say, competition from "civvy street" to which could be ascribed some of the deficiencies, or some of the higher rates of attrition, that you are now undergoing in your command?

Air Commodore HULL: Basically, sir, it usually is summed up in terms of financial aspects; but it is related to the educational opportunities for their children. It has to be remembered that in Air Defence Command most of our units are in remote, if not isolated, locations. We have the problem of the men getting adequate education at the higher level at many of those places, and to do that they feel they need financial assistance.

Therefore, all the things that are causing the drain can be summed up in terms of the financial disparity, in their mind, between what they can get for the skills they have. I do not think there is any question that we are, in many ways, being used as a training ground. People recognize the competence of the technicians and they can get the higher salaries outside. Many of them are leaving for these jobs for that reason, and yet there are many who are hanging on in spite of it.

Mr. SMITH: Is job-interest one of the problems?

Air Commodore HULL: This is what keeps them.

Mr. SMITH: Is boredom also one of the problems in keeping them in?

Air Commodore HULL: This is not the case in our command, Mr. Smith. The challenge that we have in every individual is enough to make him recognize that he has a responsibility, and that is what keeps him in in spite of the financial disparity.

Mr. LAMBERT: All other things being equal, pay, of course, is one of the factors in whether a man will keep a job or not. Is it possible to say that an increase in pay would solve the problem? Would we buy off all of these other problems? I am asking you, as a professional of many years' standing. I would like to know your reactions and those of your colleagues about this. Can you buy off these other things merely with pay?

Air Commodore HULL: No sir. Basically a man joins the service to serve and to perform a useful task. As long as he knows this, he can put up with a great deal of the things that make people unhappy, such as the disparity in pay, or the living conditions, or what have you.

It is only when the disparity becomes too great that he finds it difficult to relate the job he is doing to his responsibilities to his family.

Mr. LAMBERT: Let us get down to this other question of education. I know this is a problem which all branches of the service are facing. It is a question within the family. They have certain problems and those on civvy street have similar and related problems; but with regard to education, what a number of servicemen find—and you alluded to it a moment ago—is that on more isolated bases it seems to be more difficult for their children to get a higher education, taking them to high school.

Air Commodore HULL: Sometimes not even up to that level.

Mr. LAMBERT: Is it that the service schools are not satisfactory.

Air Commodore HULL: On some of our units we have no facilities. We do not have service-supported family accommodation.

Mr. LAMBERT: This would be up on the DEW line and some of the radar post positions. There it is a question of tour of duty, is it not?

Air Commodore HULL: Yes.

Mr. LAMBERT: A short term of duty combined with work effectiveness. But that applies in the same way, for instance, in the army, for those men who have to go to Cyprus and the Gaza Strip and some of these more isolated postings. This is part and parcel, is it not, of service life?

Air Commodore HULL: I think we have to differentiate, sir. There are isolated stations where no families go, such as Pagwa which is north of Lake Superior. These people are on exactly the same basis as those going to the Gaza Strip. They leave their families at home. There are many other towns where the community educational system is not developed to the extent that it meets the needs of our people who have come from other areas. These people are there for two years. Their families cannot reside there, because there is no education adequate for their children in the area.

Mr. LAMBERT: The position is parallel to, say, members of the External Affairs staff, who are posted to countries where there are no English-speaking schools, or French-speaking schools, and they have to send their children off somewhere in Europe, or to the nearest place where these are available. Is there any allowance for this?

Mr. HILLYER: There is not at the moment a system under which children can be boarded under those circumstances.

Mr. LAMBERT: This is one of the questions. It is not only the attractions of civvy street, and competition from industry; there are some other related factors. What I am trying to get at are some of these other related factors?

Mr. HELLYER: This is part of the competition. It is not, as the air commodore has said, just a matter of pay; far from it; but when someone starts to add up the pay, the educational opportunities for children and all of the other amenities and then considers the family aspects of it, there is a limit. Some of these isolated postings are very rigorous.

Mr. LAMBERT: Are there any other points besides education? Is it a question of the possibility of the change of uniform? Is it a question of esprit de corps within the air element of our defence forces?

Air Commodore HULL: I have just completed a visit to a number of our units and the morale of individuals themselves—I believe this is what you are alluding to—is very high. That does not mean that they are not concerned about these other aspects.

Mr. LAMBERT: This is fighting morale, the service morale.

Air Commodore HULL: That is correct.

Mr. LAMBERT: Every day, right here in Ottawa, one can talk to people in the services, and they are men who have given years and years of service, and they want to stay. They would like to, out of loyalty. But there is an element of uncertainty that has crept into their particular sector of the defence forces, and they say, "I am getting out, and that is it."

Air Commodore HULL: I would say that this is not a factor in our units, because they are being led by commanding officers who know that the job they are doing is worth while, and the men know that the way they are performing is acceptable.

The CHAIRMAN: I am sorry, I must interrupt. It is now 11 o'clock.

We have Mr. Stefanson, Mr. Brewin, and Mr. Lambert has not finished, and I think there must be other questions, but we have to vacate this room because there are so many other committees going on at this time. If we could find another room to adjourn to we could continue.

Mr. DEACHMAN: Mr. Chairman, there is no other room to adjourn to. There is no other room that is equipped for recording and every room is being used all day.

The CHAIRMAN: I understand that we could go to room 371 at 1 o'clock.

Mr. LAMBERT: My questioning is finished.

Mr. BREWIN: Mr. Chairman, my questions are directly to the Minister. I am perfectly ready to defer them. I do want to ask them, because I think they refer to a very important aspect of our whole defence.

The CHAIRMAN: Perhaps we could carry on this afternoon at 1 o'clock? Would the members be able to come to room 371 at 1 o'clock, when we could continue with our questioning of the Minister?

Mr. FOY: Mr. Chairman, inasmuch as the estimates have been passed, if members want to question the Minister do we need a quorum?

The CHAIRMAN: I think we will get a quorum.

Mr. LAMBERT: Item 1 is still open.

The CHAIRMAN: If you will recall, we passed all the estimates, including item 1, with the proviso that the Minister would be available for further questioning. The Minister is here.

MR. LAMBERT: I was called away the other day for House duty and item 1 was supposed to remain open.

THE CHAIRMAN: It was to remain open until we had finished with the other items, which we did, but there was the proviso that the Minister would be available for further questioning, and he is here and is available.

MR. BREWIN: I was not present, and I wanted to have the opportunity to make at least a nominal motion of reduction in item 1 to show that the general policy is one with which I do not agree.

THE CHAIRMAN: We were here and we had a quorum. As I say, I see little difficulty—

MR. BREWIN: If we could get a seconder for that, we could make it a brief item.

MR. DEACHMAN: Mr. Chairman, if we can find a room at 1 o'clock, would the Committee be disposed to meet at that time and get item 1 carried?

THE CHAIRMAN: This is the question I am asking now.

Could you come at 1 o'clock?

MR. LAMBERT: No, I am sorry; I am tied up with another meeting. Mr. Harkness has been away through illness and he has been unable to attend these meetings. I am very disappointed at this attitude on item 1.

THE CHAIRMAN: What about 1 o'clock. You cannot be here, Mr. Lambert?

MR. LAMBERT: No, unfortunately, I cannot.

MR. DEACHMAN: Are other members disposed to be here?

MR. CHAIRMAN: I wonder whether we can continue to hold up the Committee until Mr. Lambert is ready and then, beyond that, until Mr. Harkness is ready, and so on. Surely the Committee moves forward on the consensus of a majority and I wonder whether the majority are prepared to arrange a meeting to see if we can get item 1 carried?

THE CHAIRMAN: I think it would be advisable that we have a meeting of the steering committee now in my room.

MR. LAMBERT and Mr. MacLean could you attend for a few minutes? We will get in touch with members—before noon today and advise them about the next meeting.

Thank you very much.

WEDNESDAY, June 29, 1966.

The CHAIRMAN: I would like to commence by reading the report of the subcommittee on agenda and procedure meeting which we had yeaterday. (*See Minutes of Proceedings*).

Now, this report was prepared by the secretary. The meaning of item 2, "that the main Committee should then proceed to an in camera session", may not be as clear as was intended. They should then proceed in camera does not necessarily mean immediately proceed. Perhaps, Mr. Lambert, who was present, would like to continue and expound on that.

Mr. LAMBERT: Mr. Chairman, my view is that that does not represent the consensus of opinion of the steering committee. It is my view that we could consider the preparation of the report by this Committee once we have the transcript available. I feel that we cannot report the estimates back to the House without discussion of or some commentary on them and that it would be impossible to do so until one has a transcript of the evidence.

Not all members have attended the sessions of the Committee, for one reason or another; in addition to which, if this Committee were to proceed forthwith to an in camera session to prepare a report, which was then filed in the House, depending on the decision of the government to proceed with business, the estimates of National Defence and any report of this Committee could be then called by the government House leader and unless the transcript of evidence was available to members generally, it would be impossible for them to discuss the report intelligently or the estimates. Therefore, it is my view, that any consideration of the preparation of a report by this Committee must await the publication of the transcript of evidence.

The CHAIRMAN: This will take some time, as you know.

Mr. BREWIN: Mr. Chairman, I want to raise, what I think, is a point of order probably. I think it was last Thursday that the Committee met in the morning. It then agreed to meet in the afternoon while the House was sitting on Thursday. I was present at the opening of the afternoon session which, I think, was about 3.30. It had been my understanding that the Committee was going to proceed to examine and pass, if agreed to, all the items, with the exception of Item Number 1, and this would be left open. I understand that the Committee made such excellent progress in my absence, and that of one or two other members, that they not only passed all the other items but also passed and approved Item 1.

Now, I want to make it clear that had I been here I would have moved some form of motion. I would not want to put it in a way that is the least bit offensive to the Minister, but I probably would have moved a reduction in his salary not because I do not like the minister and do not think he is a very fine man, but because I would have wished to express formally the fact that I do not approve of the defence policies that are represented by the estimates. I merely call two items; they are not in the estimates as such, they are throughout the estimates, but we have in the statement that was broken down for us, two items, 3 and 4, the maintenance of an air division and the maintenance of a battalion in Germany.

Now, it is my view, and one that I would wish to have expressed in some form, or other formally, that I would wish to censure if I were in a position to, or at least express my difference of opinion with the policy of the Minister and the government as represented by the Minister, in that, despite what I understood were promises made two or three years ago to negotiate out of these roles, despite my view that these roles are no longer appropriate, there is no sign whatever of any action being taken to discuss with our allies the change of these roles.

This is a matter that could be discussed at length, and I do not here propose to do so. My reasons, of course, have nothing whatever to do with my admiration, which I think we all have, for the high efficiency and excellent service of the particular units in question. It is merely that the role is inadequate in my view and inappropriate to Canada at this particular time. I will not enlarge on my views for saying so; I presume that if I had made such a motion, it would have been defeated by weight of numbers in the Committee and, therefore, would not have been part of any report that we make and for that reason, I am not pressing the matter now.

On a point of order, I wanted to make this statement so that later it will not be said that these estimates, as presented to us, have been approved without dissent, or represent an agreed policy of defence expenditures in Canada, an uncritical acceptance of what we are doing. It is certainly my view that we cannot begin to reach the objectives of cutting down defence expenditures or adequately performing the roles to which we are fitted until we cut out some of those things we are doing. That is all the statement I wanted to make; I will make no motion on it but as I said, any motion I would have made was not in any way derogatory of the Minister or the services performing these things. The motion would have represented a policy view which I hold firmly and strongly and which I would not want anyone to think I had abandoned in any way because of the approval of these estimates.

THE CHAIRMAN: Mr. Brewin, your comments are now a part of the record. I do not know if the Minister would like to make any comment on this now or whether some of the members would like to speak.

Mr. HELLYER: I would like to say, Mr. Chairman, that the direction of our policy is very close to that set out in Mr. Brewin's book. I would have thought that he would have applauded heartily.

Mr. BREWIN: Applaud the good facts and deplore the bad facts.

Mr. FOY: If the Minister replies to Mr. Brewin later, I wonder if he would reply in such a way—Mr. Brewin should make it clear on certain things: he has stated that he is against having our people over in Germany and I have heard this from representatives of his NDP party, but they have never come out and said why they are against it. They just say they are against it.

Mr. BREWIN: You should do what the Minister has done and read my book. You would find out then.

Mr. FOY: Well, I have other things to do, Mr. Brewin.

Mr. BREWIN: It is a case of informing yourself.

Mr. FOY: Even Mr. Gordon's book.

Mr. DEACHMAN: I do not know whether it is a point of order, if a member was not here when a vote was passed, to then raise an objection in the Committee and make a considerable discourse on what he thinks of the Minister's policies after that vote has been carried. Once the vote has been carried, the vote has been carried. However—

Mr. BREWIN: On a point of privilege, Mr. Deachman has entirely failed to appreciate my point. What I said was that I had left the Committee on the understanding, that I know was shared by other members of the Committee, that Item 1 was to be left open. Perhaps he does not appreciate that.

Mr. DEACHMAN: Be that as it may. Mr. Brewin's statement is now on the record as to what he thinks of the Minister's policies and that leaves me open to say what I think of the Minister's policies and I personally think he has done a first class job. I looked at the defence expenditures creeping up and up under the previous administration: they have now been stabilized. I look at the force which is in the process of integration.

An hon. MEMBER: They are going up.

Mr. DEACHMAN: No, they are not going up. If you take a look at the estimates, they are not going up. They have been stabilized over these years. If you take a look at what they were under the previous administration, they were going up and seemed to be quite out of control.

The process of integration is taking place smoothly. I look at the overhauling of the pay rates and classifications that are about to take place within the armed forces. Many of the people I have talked to in the armed forces, do not display all the disgruntlement that members here have expressed about the members of the armed forces. I just want to say, if everybody is going on record around here as to what they think of the Department of National Defence, I think if I were picking a department of government that has done a first class job over the last three years, I would pick the Department of National Defence.

The CHAIRMAN: Now, gentlemen, we will come back to the report of the subcommittee on agenda and procedure. The first item was to continue with the discussion of the estimates with the Minister present. Perhaps we could continue with that.

Mr. BREWIN: I hate to be stepping into the limelight, especially after the mild chastisement from Mr. Deachman. I hope the Minister will not feel that I was proceeding in any spirit of hostility, but I would like to clear up some of the things that have been said about the antimissile program. I appreciate that we in Canada have no antiballistic missile program at the present time. I think, if I recall rightly, it was said in the White Paper that this would be a major consideration for the future. I am trying to find what the Minister told us the other day on that in his major statement to the Committee. This is what the Minister said on page 16 of the minutes of proceedings of this Committee on May 12.

The main question in the field of air defence, however, is that of whether to deploy an antimissile system. The United States is continuing to invest large sums in the development of such a system but as yet has not taken the decision to deploy it. The costs involved are staggering, with estimates ranging from \$10 billion to \$30 billion depending on the

planned coverage. Many experts believe, however, that such a system could be overwhelmed or circumvented by an increment to offensive capability at a fraction of the cost.

Until a decision is taken with respect to this question, the policy of the government, with regard to air defence will continue to be as outlined in the 1964 White Paper.

I wanted to ask the Minister if he would give assurances to the House, through this Committee, that no such decision will be taken before it is discussed in the House, because obviously it would be a major decision.

Mr. HELLYER: The decision I was referring to, Mr. Brewin, is an American decision. Therefore, obviously I cannot give any assurances as to what they will do; in so far as any Canadian participation is concerned, I think I can give you the assurance that this would be discussed before any projects were undertaken.

Mr. BREWIN: One of the reasons I asked that, Mr. Chairman, was a despatch, of which I have a copy, which appeared in the Calgary *Herald* of March 22. Mr. Lambert will be able to tell us whether this is a reliable place to find it. It was a Canadian Press despatch from Ottawa. The headline is "Ottawa may offer U.S. sites for counter-missile bases" and the despatch reads in part as follows:

Canada might provide the United States with some of the necessary real estate if the latter decides to build a counter-missile system, informed sources said Monday. Any Canadian sites for such a system to shoot down approaching ballistic missiles would likely be in the area of the present Bomarc anti-aircraft missile bases at North Bay and La Macaza. Such siting would provide some protection for Toronto and Montreal.

It goes on to say that the authorities are not sure whether the Americans would try to do this. "Officials said the government does not want to become involved financially in such a system if it can help it."

Is there any such discussion, Mr. Hellyer?

Mr. HELLYER: No, there has been no such discussion; there has been no request.

Mr. BREWIN: My understanding is that if the Americans should decide to install an antimissile system, for physical reasons and technological reasons, there is no need for them to do so, using Canadian territory for doing so. The situation is not parallel to the defence against manned bombers, where obviously the use of Canadian territory was necessary. Am I right about that?

Mr. HELLYER: I do not think I could give a categorical answer to that question because it would depend on the type of system deployed and the areas of space when incoming missiles were expected and what the location of the missile farm should be in order to best intercept them. This is a highly technical question which I would not wish to comment on except in the most general terms.

Mr. BREWIN: Because both you and I have a special interest in the area of Toronto, it says here "such siting would provide some protection for Toronto and Montreal". I take it that for various reasons it would not provide any protection whatever for the—

Mr. HELLYER: Oh, yes. An effective anti-missile missile system, the way they are projected, if there were missile farms located within the range of major cities, they would, indeed provide some protection.

Mr. BREWIN: You stated to the Committee one of the reasons why there would be doubt or hesitation about installing such a system was that apart from the staggering cost many experts believe this could be overwhelmed or circumvented by a much lesser expenditure on offensive capability on the other side.

I want to ask you about one other objection that I have seen stated to see if I am right in understanding this. Such a system would protect certain important sites, shall we say, but that it could not be very effective in preventing fallout and, therefore, any effective system of protection through anti-ballistic missiles would involve almost certainly as a parallel, a very extensive fallout shelters program with great impact on civilian life, and so on.

Mr. HELLYER: This again, Mr. Brewin, is a very highly technical question which I do not really feel I am competent to answer. But it depends on the extent of the deployment of the anti-missile system. If the anti-missile system was extensive enough in its deployment, then it is possible that much of the interception could be at an altitude where it would be the upper atmosphere that would collect most of the radioactive material rather than the ground level.

If, on the other hand, the deployment was limited, then a certain amount of circumvention can be achieved by dropping the missiles not in the area where they would be intercepted but to the windward, creating a radioactive cloud which would then drift downwind into the areas which, presumably had been protected by the anti-missile system.

Now, this just brings you back to the question of the extent of the deployment, of the cost involved and of the difficulties of covering all situations at anything less than astronomical costs.

Mr. BREWIN: I would just like to express my satisfaction of the Minister's assurance that we will not be getting into this without further discussion.

Mr. HELLYER: I think it is fair to say that before we would participate in this system we would have a discussion about it. I think this is right.

Mr. MACLEAN (*Queens*): I have two fields of questions for the Minister and neither one is related to what has just been under discussion. I would be willing to pass at this time if someone else wants to proceed.

The CHAIRMAN: No one else has indicated that they wish to ask any questions on this point. Perhaps you could continue.

Mr. MACLEAN (*Queens*): I would like to discuss further with the Minister the question of morale in RCAF aircrew, and the question of pay differential between pilots and navigators, especially in squadrons where they operate as a team. Now, throughout the proceedings of the Committee, it has been stated categorically, I think, from time to time by the Minister and by senior officers, that there is no problem of morale or that the problem of aircrew morale is not a serious one. I think for these replies to fit with the facts that we need a definition of what we are talking about or else those who are replying to these questions in this way are unaware of what the facts actually are.

When I refer to morale, perhaps this is not the correct term. I am not implying that fighting morale in the forces is low or that aircrew do not have

pride in their profession and loyalty to the service and the country, and so forth, and that their fighting morale is low in any way. But I think it is evident that there is very considerable discontent among air force aircrew at the present time or in recent months. From my own experience there is a great difference between the general term of military morale and whether or not certain personnel are happy in the service and whether or not they feel that they are getting a fair deal and whether or not the terms of their engagement are being lived up to by the government.

As a matter of fact, I belonged to a group during world war II who felt that the terms under which they had joined the service just before the war had not been lived up to. They were a group of short-service commissioned officers who felt they were double crossed and received a dirty deal as far as the terms of their engagement were concerned. I happened to be one of that group and that did not, in any way, affect our morale for the purpose for which we were in the service. But that did not mean that we felt we were being fairly treated and I think the same can be said about navigators in the airforce at the present time.

In this connection, I realize it would be difficult for those who are dissatisfied to have their case properly aired in the service and for senior officers to be fully aware of the discontent because, naturally, junior officers hesitate to complain bitterly over the position they are in because they would fear it might prejudice their advancement or some other terms of their service. This is natural; they hesitate, they draw back from appearing to be malcontent. Nevertheless, I have strong reason to believe that the differential in pay, the increase in pilot's pay without full consideration of the navigator's position in aircrew at the present time, has caused very grave discontent, to the extent that navigators in the air force have taken advantage of every channel which is open to them to try to advise members of this Committee of their discontent.

They usually take round about ways of doing this, so their identity cannot be easily established. They usually do not make their feelings known directly to the member of Parliament who might be considered as their member of Parliament. They arrange it in some other round about fashion.

I have before me a brief which is written by navigators in the airforce, pointing out what they consider to be a very unsatisfactory situation as far as pay and allowance is concerned. This is a long document and I do not intend to read it into the record except to say that the introduction of this statement I have before me reads as follows:

The recent decision to grant increased pay and pension benefits exclusively to armed forces pilots has compromised the basic premise which navigators believed in when they accepted an aircrew trade rather than pilot, the premise being that of equal pay and opportunities to all aircrew officers of equal rank. The purpose of this paper, therefore, is to show that the navigator is being discriminated against; that the recent raise for pilots actually benefits the wrong group of officers; that the morale of the navigator is low; that the navigator's career is not receiving any consideration by personnel planners; that navigators are leaving the service; that an acute shortage of navigators will be evident in the not too distant future and that navigators who leave for civilian air lines actually receive higher benefits initially than do pilots.

RCAF statistics reveal that 95 per cent of the recruits who enlist as aircrew officers have the aptitude and required standards to be trained as either pilots or navigators. Because service requirements are such that many must be trained as navigators, recruits at the officers selection unit have accepted navigator training for a number of valid reasons. They have recognized that all aircrew are commissioned officers and were aware that the principle of equal pay for equal rank applied to both pilots and navigators.

They list pages of reasons for their discontent but one of the implications which they point out—and I am just skipping over this from point to point; I do not want to belabour the Committee with a great long statement on this—is that the monthly income of a Flight Lieutenant pilot with eight years seniority in rank is \$968 as compared to \$833 for a Flight Lieutenant navigator for the same seniority.

In the case of the pilot, his superannuation benefits are computed on the full monthly income of \$968, whereas the navigator's superannuation benefits are computed on a monthly income of \$726. "Should a pilot and a navigator of equal rank and service experience be killed in a CF-101 aircraft, is it considered reasonable for a pilot's widow to receive greater financial benefits than a navigator's wife?"

These are the sorts of things that are exercising the minds of pilots. They also go on to say, for example:

The facts are these. On one CF-101 squadron during the past seven months, nine pilots left the service and one is awaiting release. In the same period four navigators left, two are awaiting release and five have indicated that they are leaving. All navigators know that Air Canada is accepting navigators and that all air lines will accept a navigator as a pilot providing he has the necessary pilot qualifications. It is not too difficult for many of the navigators in the service to acquire the necessary qualifications and to leave in view of the present policies under consideration by the government. In fact, the bulk of the recent navigator releases from the squadron have made tentative arrangements for air line employment as pilots and have actually been hired as pilots.

The humiliating discrimination against navigators is bound to destroy the team spirit; a concept that every squadron commander, pilot leader and navigator leader endeavours to instill in aircrew. Every aircrew officer, particularly one in a CF-101 squadron, is urged to take pride in his job and to be fully aware of his contribution to the North American Air Defence system, to the North Atlantic Treaty Organization and to the United Nations. This officer who was expected to show a loyalty to his country far beyond that of any civilian, is now told that future government policy will be concerned with supply and demand in order to compete with civilian air lines.

Then, as one of the appendices to this, they point out that there is a strong demand and high rates of pay available in civilian air lines for navigators as well as pilots. They state, for example, that in some cases the pay range for highly qualified navigators is actually higher than that for beginning pilots in

commercial air lines. They also point out that a higher percentage of the navigators are university graduates than is the case among pilots.

I do not want to imply that morale in the service, from a service point of view, is low but I do feel that navigators would not go to the length they have gone to try to make their case heard, if they were satisfied with their conditions of service. I am not implying that there is lack of morale in the military sense, or that there is anything bordering on mutiny or anything of that sort, or lack of esprit de corps even; but I do feel it is evident that the navigators are highly dissatisfied with the terms of their employment at the present time as compared to pilots who are working with them as teams in the same aircraft. I would implore the minister to have this situation with regard to navigators again reviewed.

MR. HELLYER: Mr. Chairman, if I might just make a few comments; I have visited some air bases since the pilots' pay increase, and there has not been any reluctance on the part of the navigators and others to talk about it. I am aware of what they think and I think it is reasonable to say, as you have indicated, that they were not as happy about the pilots' increase as they would have been if it had applied to all aircrew.

It is impossible to have complete equity. You have stated the case for having commissioned aircrew treated the same. You have not stated the case for commissioned officers in other arms to be paid the same as commissioned aircrew. Certainly, there are many officers in the other arms who feel that their contribution to the total fighting effectiveness of the armed forces is just as great as, and in some cases greater than aircrew. That is their opinion and some of them can make a pretty good case in support of it.

But going back to the aircrew, we sometimes carry non-commissioned people aboard our airplanes, and they do not get the same rate of allowances that the navigators do. To the same extent that you can say, is it right for the widow of a navigator to receive different treatment from the widow of a pilot, if you want to extend the argument, you can say, is it right that the widow of a Flight Sergeant or an L.A.C. should receive different treatment from the widow of either the navigator or the pilot. There has to be some scale, and it is extremely difficult to get one which is equitable and which appears to be equitable. I am convinced that no matter what you did, you could not, under ordinary circumstances, get a situation which would equally please all groups at the same time.

In so far as the aircrew allowance for navigators not applying for pension is concerned, I think this is a legitimate grievance and one which we are looking into between now and October 1, when our new pay rates will come into effect. We had to act quickly with respect to the pilots' pay and, therefore, we changed the pay and the method of dealing with the allowance at the same time; because it was not a normal pay review period, we did not extend the consideration to other groups and this question of counting the aircrew allowance for pension purposes is one of the areas that is under consideration and, where I suspect, we will decide that the treatment should be equal for all groups.

However, the fact remains that the desperate shortage for air line pilots, which occurred with almost dramatic suddenness, created a situation which we

had to do something about, and although I think it is true that most of our officers would prefer to remain in the service, and are willing to accept less money in the service than they could get outside in many cases because they are doing important work and because they like the service, at the same time, as we discussed yesterday, there is a limit in the differential that they can accept in so far as family considerations are concerned.

The differential for pilots became so great that we received a very large number of applications for release. Although it did not reach the stage where there was any critical shortage, if it had continued for a period of time, a situation would have developed which would have been, in our opinion, unacceptable. In order to do something about it, which was effective, we took early action.

I just do not think you can ignore the real situation, and it is precisely the same kind of problem we have in other ranks between the highly skilled technician and those who are not so highly skilled. There are some areas of skill which are so very much in demand that the wages being offered in the civilian economy are substantially in excess of those which we have been paying; consequently, an unacceptable drain commences in certain areas.

I do not think that anyone likes to depart from the principle of a band of brothers, of equal treatment for all at the same rank level, but we did depart from it years ago. We departed from it in so far as the doctors were concerned, because we found we could not get doctors to stay in the service for the pay that we were paying men of equal rank in other branches. We had to depart from it in so far as the dentists were concerned, because we found that we could not get dentists to stay in the service for the same pay that we were paying for officers of equal rank in other branches.

Then, a situation developed in which you could say the same thing about the pilots; that we just could not keep an adequate number of pilots in the service for the same pay that we had been paying other officers of the same rank. Similarly, we have been paying aircrew, for some time, at a higher rate than officers in other arms. So that there have been differentials; I do not think anybody likes them but anybody who is a realist, and certainly anyone who is the Minister of National Defence must be, must accept the fact that there are differentials and there will likely remain differentials as far ahead as we can see into the future. The differentials may change, because we live in a dynamic world, and what is true today may not be true a year from now or two years from now. At the same time I do not think one can ignore the real situation as it exists and fail to take corrective action.

Therefore, Mr. MacLean, I have complete sympathy with the position put forward in that brief. The brief was sent to me too; I do not think, however, that you can devise any solution which is at once completely equitable and, at the same time, workable.

Mr. MACLEAN (*Queens*): I thank the Minister for what he said. I am not implying that there are not many difficult problems from the point of view of the Minister of National Defence and the Department; all I am saying is that the solution that has been proposed, is a long way from being a perfect one and, indeed, I do not think that it is the best one that could have been obtained. With

regard to the comparison of paying professional men—doctors and dentists—more than non-professional officers in the civilian sense of the thing, in the services, compared to that paid pilots. I do not think that it is a fair comparison at all because doctors and dentists have had to educate themselves at very great personal expense before joining the services, and this is not true in the case of pilots and aircrew generally: they have been trained at public expense, that is, beyond their formal education. The professional training in the case of aircrew is at public expense where, in most cases at any rate, doctors and dentists in the service have had to train themselves professionally at their own expense.

Mr. HELLYER: Mr. MacLean, on that point the doctors and dentists we get now are almost exclusively educated by us at our expense. One thing that they do have in common, however, is the very high investment that has been made in them. Actually, the investment in pilots is probably the greatest single investment, in so far as cost is concerned, that we have to make. There is another alternative, of course, to this type of approach which would be compulsion. In other words, not to give pilot training to anyone who would not agree to stay for a period of years on a contractual basis. Perhaps, some additional thought should be given to this, but it is very difficult in peacetime; there are limitations on what would be acceptable in a peacetime professional voluntary force so far as the extent of contract is concerned.

Mr. LAMBERT: Accepting as a fact the actual demand and the potential demand for pilots in civilian life, surely the policy of the Department of National Defence with regard to the special pay increase and length of commission with regard to pilots, has been, in effect, to try to relieve the pressure, say on a pinching shoe on the right foot by getting an equally pinching shoe on the left foot and getting everyone angry at you in the bargain. This is, I think, the net result. It is not only in aircrew that we get difficulty. I am now getting quite a bit from army officers at field rank who claim that within the service, because of particular qualifications that they have, there should be a differential between them and men of equal rank whose jobs are not as technical.

Once you admit of this particular differentiation for the type within the same general area of jobs, then we start on the whole scale. I realize that the problem is a difficult one and I am sure that there are all sorts of examinations given to the thing but, let us not be under any illusion that this has not created many more problems. If, in so far as aircrew and the effectiveness or air readiness of your flight crews are concerned, it matters not one whit, whether you are short of pilots or short of navigators; you are going to be short of aircrew. That is all there is to it.

I certainly would put to the Minister a very urgent recommendation for a thorough review of this and perhaps some other modifications because this cannot continue. Perhaps I am just underlining the obvious here.

Mr. HELLYER: Mr. Lambert, I do not know that you are. The problem as you stated it is the real one. The action we took, in effect, worked, and to use your own analogy, the fit of the shoes is now better than it was before. Now, mind you, this is an imperfect analogy and, therefore, it might always be something less than a perfect fit, but at least the pressure on the feet is more evenly divided than it was before. Therefore, from our standpoint and from the

action we took, it has been successful. Now, as to the necessity for continued review, I agree with you, and certainly in the over-all, I think that pay and allowances are one of the biggest single problems we have. In fact, I am sure it is the biggest single problem.

When I visited bases recently and answered questions for an hour or two hours, 80 or 85 per cent of the questions would be related to these areas. It is for this reason that we have been looking at some of the fundamentals of our pay and allowance system in the hopes that we could get a more equitable arrangement by October 1. There are many inequities. In our system at the present time, for example, there are two people of equal rank with the same pay; one can be living in a married quarter and one living on the economy and it would be \$65 a month difference in take home pay for a sergeant group 3. Obviously, this is inequitable and the fellow who is living on the economy is unhappy about it. Something has to be done about it. Believe me, when you start to try and do something about it, that is when you realize just how difficult it is to take a system which is 20 years old—it really originated in 1946—and update it, make it fit the peacetime philosophy of a highly professional force and work out the inequities at a rate which is acceptable and a cost which members of Parliament will see is provided.

Mr. LAMBERT: I will grant you that there is some strength and force to some of the arguments; I do not say that it is a black and white case, but I must confess I do not quite see the logic in the acceptance of the fact that you say you have cured the problem or relieved the problem so far as the pilots are concerned. Within three or four months you are going to be faced with a similar problem with navigation officers and perhaps some other types of servicemen. Then you are going to come again to a crash decision at that time and, to use a simile, you are just putting band aids on a wooden leg. You are just patching along.

The CHAIRMAN: It is pretty hard to have a shoe pinching on a wooden leg.

Mr. LAMBERT: I did not say that the shoe was on the wooden leg; the comparing of similes may lead to some odd results.

This is a thing that worries me, Mr. Hellyer.

Mr. HELLYER: It worries me, too, Mr. Lambert.

Mr. LAMBERT: I know, and I realize that. I want to sort of indicate that one has to be rather realistic and that some of the Minister's statements in the past in the House, and otherwise, have been rather on the overly optimistic side.

Mr. HELLYER: I am an optimist by nature and I think it is essential in this business.

Mr. LAMBERT: That is all I have to say, Mr. Chairman.

Mr. MACLEAN (*Queens*): I would like to raise briefly another subject entirely and I do not expect that the Minister would have the answers at his fingertips because it is a rather detailed thing. I might raise it so that the Minister would be aware of it and look at the situation; if he is in a position to give any information at the present time, of course, it would be welcome but I do not think it is probably a question that could be answered without notice.

A couple of years ago the Committee visited Gagetown Camp and, as is known, there are large areas of this camp that are made up of what was formerly farm land. It had been in the camp for a number of years then and this farm land that was open country when it was taken over, obviously has not been cultivated since and large areas of it are growing up in scrub, to the extent that it is impossible for wheeled vehicles to go through it any more and its usefulness has decreased very considerably. I think it was a great mistake to allow this to happen, because if it were caught early enough it could have been prevented quite easily by having these areas clipped every year by quite light machinery which would keep this scrub under control and keep these areas open, if that is the purpose of having them and I think that, at least in some cases, it is the purpose.

Now, I have been informed that recently a contract has been called for clearing fairly large areas of land in Gagetown Camp. My information is that all the tenders for this land clearing have been withdrawn with the exception of one. I do not think any contract has been let. If my information is correct and if the single tender that is reputed to be in is as high as my information says it is, I would strongly recommend that the contract be withdrawn and relet because my understanding is that the tender submitted is something of the order of \$500 an acre for clearing this land. If that is so, this is an extremely high figure, I think. I tried to make some comparisons. I know that the clearing of right of way for hydro lines and that sort of thing in that area runs, perhaps, \$250 an acre, where the terrain all has to be cleared regardless of what it is like; whereas in the contract let for clearing land in the camp, where there are obstructions such as rock outcrops and that sort of thing, they do not have to be cleared. In other words, it would appear to be an easier job than clearing the right of way for a power line, for example.

Then, as far as comparing it to the clearing of land for farm use is concerned, the figure is even further out of line because large contractors clearing farm land do it for something of the order of \$60 or \$70 an acre. This tender seems to be seven or eight times as high.

I do not know whether there is any information available this morning with regard to this, but it would seem to me that this is a very high figure for this kind of work and that the thing should be looked at again, if my information is correct.

MR. HELLNER: I am sorry, I do not know what the tender is, Mr. MacLean, but we will certainly have a look at it and check out the cost and see whether it is reasonable or not. I appreciate your bringing it to our attention.

MR. MACLEAN (*Queens*): I would think that if my information is correct and there is only the one tender for the job, the contract should be recalled.

THE CHAIRMAN: Mr. Lambert, you had another area of questioning, I understand.

MR. LAMBERT: Yes. This, I am sorry, would be an item under the RCAF in item 15 of the estimates. I would like to know, briefly, or as much as the Minister can tell me, about the system of helicopter pilot training in Canada. What facilities do we use; whether this is done in co-operation with the American air force; that we send people down there for training because they

have much more extensive training facilities, or just how do we train our helicopter pilots now that there is going to be a much greater need for them, both as to ground force personnel and air force personnel?

Mr. HELLYER: We have an expert on helicopter training on the way here. He should be here in about five minutes, Mr. Lambert.

Mr. LAMBERT: I will defer until then.

Mr. HELLYER: He will answer your questions on that.

The CHAIRMAN: Did you have a further question on another subject, Mr. Lambert?

Mr. LAMBERT: No.

The CHAIRMAN: We have to be out of this room by shortly after 10.20 to allow them to clear up for the NDP caucus at 10.30. So, I would like to continue with the questioning up until that time.

Mr. DEACHMAN: Mr. Chairman, I want to raise a matter affecting the business of the Committee, at this point. We passed Item 1 and the other votes in the estimates and so we are really at a point that is beyond any matter that has been referred to us by the House of Commons. The meeting today is a sort of an extension of courtesy to members who had some further questions that they wanted to put to the Minister. These have pretty well been answered so we have pretty well concluded this aspect of our work.

I want to turn for a moment to some remarks which were made by Mr. Lambert this morning regarding a report and the possibility of writing some comment into the report after the transcript had been produced.

The situation in respect of transcripts, at the moment, on which I happen to have a little information as the co-ordinator of committees is that we are running about 30 or 40 transcripts behind because of the large number of committee meeting that there have been recently and the production of transcripts is maybe ten days to two weeks away, unless of course, you took it out of line and gave it some kind of priority. It would be a shame to exact some kind of a priority for that transcript over other departments which also have an urgent need to get their business completed. The fair thing to do is to leave it in line. This means that our chances of looking at transcripts effectively come somewhere—if we adjourn for a summer recess in the next week or ten days or so, as I hope we will—along about next fall. I am suggesting that then we will be rather far away from the subject of the estimates which we have been examining recently and getting on to other things.

I also want to submit, at this time, that we do not really have common agreement amongst us as the party to compose this Committee in regard to the comments that we would want to make in respect of these estimates, and we have all had a good deal of opportunity to express our views in here. Mr. Brewin expressed his views this morning and Mr. MacLean certainly expressed his views very well this morning and so has Mr. Lambert; all of us have had the opportunity to put views on the record which will stand on the record.

Having accomplished all this, I think, in the interests of tidying up our own work and being able to turn to new things in the fall and getting this aspect of it

cleaned up, we should come to some finality in these matters. Therefore, I move at this time, seconded by Mr. Foy, that the estimates of the Department of National Defence be reported to the House of Commons today by this Committee, without comment.

Mr. LAMBERT: Mr. Chairman, I am going to say that I do not think this Committee could do anything more sterile. It would be a complete exercise in futility in doing that. In other words, this would be exposing to the public the fact that we have been studying the estimates of this Department since the beginning of March, which is the date of our first meeting. We have examined the Minister at great length, the Associate Minister, many of the senior officers have appeared here and have made some very worthwhile contributions, and we would let it go without comment; one way or another, for what purpose? We are not here merely to provide a sounding board for the government or otherwise. We are here to study and comment, to make recommendations to our colleagues in the House, otherwise the purpose of these committees is completely stultified. In addition to which, as I pointed out, when these estimates come up for discussion before the House, our own colleagues in the House do not have any material which they can use. They have not had the transcripts.

I realize that this has administrative problems but surely to goodness the purpose of this is to do a worth-while job. I can tell Mr. Deachman that on another committee equally important as this, the Finance Committee, the chairman of that committee, myself and the steering committee are of one mind on this, that we will not make a report until we have the transcripts so that we can make a worth-while examination. I thoroughly oppose for myself, and anybody else can say what they want, but for myself, I thoroughly oppose and depreciate any type of move that would say we report the estimates today and leave them then open for the House to discuss without the evidence, we might just as well have stayed home.

I will add one further point, that a great number of members of this Committee, who have heard most of the evidence, are not present. They have been replaced because some of them are off with the Veterans Affairs Committee. Mr. Harkness is temporarily away ill; certainly the value of having these members who have had some intimate knowledge of the affairs of this Department should be considered. We are not here to rubber stamp and I think that is in general agreement, but doing this would be merely a rubber stamp, as far as this Committee is concerned. I thoroughly oppose it.

The CHAIRMAN: If I may say just a word. As your Chairman, I sense a general wish on the part of the Committee to make progress and to move ahead.

Your secretary here has just brought to my attention a ruling by the Speaker on this point you have brought up about the transcript of evidence, which seems to show that there is no requirement by Parliament for the transcript to be ready before this matter could be referred back to the House. I think it is a matter for the Committee to decide at what speed they wish to work.

We have heard the comments of Mr. Deachman and Mr. Lambert. I wonder if there are any other members who would like to speak on this point.

Mr. McNULTY: These estimates will not be coming before the House until the fall, will they? They would not be discussed actually in the House previous to the recess.

The CHAIRMAN: I doubt it.

Mr. McNULTY: In that case, I was just thinking that Mr. Deachman has a very good motion here, that we would report the estimates to the House and I think that we would all have considerable opportunity when the estimates come up to voice our opinion in the House. By that time, too, the transcripts would be ready so that all members of the House would have an opportunity to go over the transcripts and properly criticize or confirm the estimates. I feel that we could report the estimates to the House and get on with the rest of the business of the Committee.

I know that our reference at the present time is just on the estimates, but I believe that our criticism would be through future investigation and through future visits to service areas and that we would be bringing in a report later on, a more general report.

Mr. LAMBERT: Mr. Chairman, may I ask Mr. McNulty, what authority would we have? The House authority at the present time is to study the estimates and if that is then referred back, unless the House gives us further authorization for certain matters—

The CHAIRMAN: I think, Mr. Lambert, I could relieve your mind on this point. If we were to present a report before we present the estimates back to the House asking for permission to meet from place to place as we discussed the other day this would keep the Committee in being and would entitle us to continue with our investigations.

Mr. MACLEAN (*Queens*): I would like to say that if we report the estimates back to the House without comment, I think it will probably make for a longer debate in the House on the estimates of the Department of National Defence than would be the case if the Committee found it possible to make a definitive report on the estimates. I think if this were possible, as some other committees have done, the Fisheries Committee, for example, that there would be a tendency for the debate to be shorter in the House. This is a matter which has to be taken into consideration, and from my point of view, if we report the estimates back to the House it should be in a manner which would not imply blanket approval of the estimates by this Committee. The discussion of the estimates would, in that way, still be open for the committee of the whole.

The CHAIRMAN: I think that would be understood.

Mr. LAMBERT: As a result of the deliberations by this Committee, where would there be any opportunity to comment on the estimates or the testimony that has already been given, if we have already reported back the estimates? There is no guarantee that if this House were to sit for another ten days, that on the Thursday or Friday, whenever estimates may be called by the government House leader, defence would not be called. There is absolutely no guarantee. I will have no part of this.

Mr. McNULTY: Could I answer that question. Surely this is a matter which would come up when the defence estimates are before the committee of the

whole, without wishing to engage in an argument with a man with such experience as you have, Mr. Lambert.

MR. LAMBERT: This is contrary to the whole practice of this Committee. We have had very worthwhile sessions in the Standing Committee on Defence. The Minister and ourselves have benefited a great deal. There were comments and the Minister welcomed these comments. Now, why should we suddenly depart? We are abandoning our purpose? To men, this is merely trying to torpedo the purpose of committees in the House. If they all behaved this way—

MR. SCHRYVER: Mr. Chairman, I would like to direct a question, either to yourself or to Mr. Deachman. Since it is obvious that the estimates of the Department cannot be dealt with by the House until the fall, what is the particular urgency or necessity of reporting them back now without comment?

MR. DEACHMAN: I would think that as in the past, we will have an active fall ahead of us. What perhaps should have been moved first was a motion that as report number one, we seek permission of the House to move from place to place to look at Canadian and allied military installations, if we have not done so, because we will probably have a busy fall. Older members of the Committee will remember that we visited the NORAD installation; we were in Europe in 1963; we were at North Bay; we were at Norfolk, Virginia and in Halifax and this was enormously important to us, as a Committee, in the business of acquainting ourselves with what is the largest department of government.

Simply, what I submit is that this is the time for passing estimates and I really feel that everybody has had a lot of time to comment; there is a great deal of comment on the record and the comment stands on the record, it is there. We can only comment now on a partisan basis, as to what we feel as the Government party, as to what Mr. Lambert and his party feel, the N.D.P. who have specific views on this, but these have all been expressed on the record. Had they not already have been expressed on the record, I would concur with Mr. Lambert that this would have been a rather lame duck Committee, but this is not so. There has been much cross-questioning of the Minister and so on and a great deal of good discussion. What I would suggest is this. I think we need a report number one to make sure that, first, we have permission to move from place to place so that we are setting ourselves up for a busy fall, and I think we need to put these estimates in the House now and get on with business so we have that tidied up, so that we are a good, tidy working Committee in a position to get something done in the fall.

I appeal to the members here not to leave estimates over and let this thing develop into an examination of cold porridge in the fall; but to have a lively committee doing something effective in the fall. We have been a very good committee in the past, a committee that has travelled and has had a great insight into an enormous department, a thing that is immensely important to us. My feelings are that we should move it along and not delay; it would be wrong for us to let this chill and just get down into the abortive examination of cold estimates in the fall. That is why I make this appeal.

MR. STEFANSON: Mr. Chairman, I certainly do not agree with Mr. Deachman on this. I do not see any need for rushing here at all. I think we would be wise to wait and bring in a proper report. The estimates are not likely to be dealt with now by the House.

The CHAIRMAN: Well, gentlemen, we have a motion before us, so, as your Chairman, I will have to put the question.

Mr. DEACHMAN: On a point of order, before putting the question on the question of the estimates, I wonder if someone could suggest a motion on the question of moving from place to place in Canada and abroad so—

An hon. MEMBER: There can only be one motion at a time.

The CHAIRMAN: I do not know if that requires a motion at this time.

Mr. LAMBERT: I personally want to consult with our members with regard to this. I do not think that we are setting aside a fall travelling season.

The CHAIRMAN: Well, gentlemen, you have heard the motion. Would you like me to read it again? I have been handed it by Mr. Deachman.

I move, seconded by Mr. Foy, that the estimates of the Department of National Defence be reported to the House of Commons today by this Committee, without comment.

Mr. STEFANSON: Mr. Chairman, before you put the question, is it not proper for the steering committee to draft a rough report and then submit it to the general Committee for approval? That is the way—

The CHAIRMAN: I think that when it comes to the approval of the actual report, we could ask the steering committee to have a quick meeting this afternoon and we could ask this Committee to meet again this afternoon for the purpose of taking a look at both of these reports.

Well, gentlemen, you have heard the motion. All in favour? Contrary minded?

Motion agreed to, on division.

The CHAIRMAN: Gentlemen, we have to leave this room. I would ask the steering committee if they could meet in my office immediately after the question period this afternoon.

Mr. LAMBERT: For what purpose?

The CHAIRMAN: For the purpose, as I just outlined, of reviewing the draft reports that Mr. Stefanson just mentioned. I would then ask the Committee if they could meet here again at 5 o'clock to see these reports.

Mr. LAMBERT: No, you are just going to gang up on us. I think it is very plain, Mr. Chairman; it is a plain ganging up, rubber stamp attempt.

An hon. MEMBER: It is railroading, that is what it is.

Mr. McNULTY: I do not think there is any railroading, Mr. Chairman. We will all have ample opportunity after the—

The CHAIRMAN: Excuse me, gentlemen, but the motion was to report this to the House of Commons today. You heard the motion.

Mr. LAMBERT: If that is what you want to do, I disassociate myself entirely from it.

The CHAIRMAN: The motion was passed by a quorum of this Committee, so I would ask you to reconsider.

Mr. LAMBERT: No, I disassociate myself from it entirely. It is being promoted by people who are not regular members of this Committee.

The CHAIRMAN: I think everyone here today is a regular of this Committee. Mr. Crossman has just come on the Committee, so I could not quite accept that.

I will ask the steering committee if they will meet today in my office at 3.30 or 15 minutes after the question period for the purpose of considering these two reports mentioned just now. I would ask the Committee if it would meet in Room 307 of the West Block at 5 p.m. today.

This meeting is adjourned.

AFTERNOON SITTING

WEDNESDAY, June 29, 1966.

The CHAIRMAN: Before we start, gentlemen, could I say how very much I personally appreciate your coming out on such very short notice a number of times, and so forth, which was made necessary because of a purely personal reason: I have reservations on an air flight to leave at ten minutes past five and I have not been able to change them, so I very much appreciate your coming.

This morning we had a motion passed asking that the estimates of the Department of National Defence be reported to the House of Commons today by this Committee without comment. We have had a meeting of the steering committee, and we have reviewed the report which was prepared by the Committee staff and as a Subcommittee we are submitting it to you for your approval. After the second line I hope you will insert "as its fourth report". I would like you to read the fourth report and if you have any comments I would ask you to make them before we move to submit these to the House.

Mr. McNULTY: Mr. Chairman, it seems to be in order with the motion that we passed this morning and I move that they be reported back to the House.

The CHAIRMAN: It has been moved by Mr. McNulty and seconded by Mr. Foy that the fourth report of the Committee as presented be reported to the House. Is there any comment on this?

Mr. MACLEAN (*Queens*): I would just like to say that I voted against the motion this morning with the feeling that this is not the most desirable procedure for the Committee to follow; but I think that this fulfils the requirements of the motion that was carried by the Committee this morning and therefore it is acceptable to me in that sense.

The CHAIRMAN: You have heard the motion by Mr. McNulty and if there is no further discussion I will call for a vote.

All in favour? Contrary minded?

Motion agreed to, on division.

Shall I now refer this report back to the House in accordance with the directive so moved? Agreed.

Well, gentlemen, thank you very much indeed.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament
1966-67

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 14

TUESDAY, FEBRUARY 7, 1967

Respecting
Bill C-243, An Act to amend the National Defence Act
and other Acts in consequence thereof.

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; and Air Marshal
F. R. Sharp, Vice Chief of the Defence Staff, Canadian Forces Head-
quarters.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

¹ Mr. Andras,	Mr. Grills,	² Mr. Matte,
² Mr. Brown,	Mr. Harkness,	² Mr. McIntosh,
³ Mr. Churchill,	Mr. Langlois	Mr. McNulty,
Mr. Deachman,	(<i>Chicoutimi</i>),	¹ Mr. Rock,
Mr. Éthier,	¹ Mr. Laniel,	Mr. Smith,
⁵ Mr. Fane,	⁴ Mr. Latulippe,	⁵ Mr. Winch—(24).
Mr. Forrestall,	Mr. Lessard,	
Mr. Foy,	¹ Mr. Macaluso,	

Hugh R. Stewart,
Clerk of the Committee.

¹Replaced Messrs. Dubé, Forest, Crossman and Hopkins on February 3, 1967.

²Replaced Messrs. Loiselle, Rochon and Stefanson on February 6, 1967.

³Replaced Messrs. MacLean (*Queens*) and MacRae on October 19, 1966.

⁴Replaced Mr. Langlois (*Mégantic*) on September 9, 1966.

⁵Replaced Mr. Schreyer on July 13, 1966.

CORRIGENDUM

ISSUE NO. 12—THURSDAY, JUNE 23, 1966

Evidence

Page 375, line 8, delete the following:

“Mr. Rock: Not necessarily. We have strategic wives, they are trying to knock us out economically...”

ORDERS OF REFERENCE

HOUSE OF COMMONS,
WEDNESDAY, July 13, 1966.

Ordered,—That the name of Mr. Winch be substituted for the name of Mr. Schreyer on the Standing Committee on National Defence.

FRIDAY, September 9, 1966.

Ordered,—That the name of Mr. Latulippe be substituted for that of Mr. Langlois (*Mégantic*) on the Standing Committee on National Defence.

WEDNESDAY, October 19, 1966.

Ordered,—That the names of Messrs. Churchill and Fane be substituted for those of Messrs. MacLean (*Queens*) and MacRae on the Standing Committee on National Defence.

THURSDAY, February 2, 1967.

Ordered,—That Bill C-243, An Act to Amend the National Defence Act and other Acts in consequence thereof, be referred to the Standing Committee on National Defence.

FRIDAY, February 3, 1967.

Ordered,—That the names of Messrs. Laniel, Rock, Andras and Macaluso be substituted for those of Messrs. Dubé, Forest, Crossman and Hopkins on the Standing Committee on National Defence.

MONDAY, February 6, 1967.

Ordered,—That the names of Messrs. McIntosh, Brown and Matte be substituted for those of Messrs. Stefanson, Loiselle and Rochon on the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

TUESDAY, February 7, 1967.

(20)

The Standing Committee on National Defence met at 10:05 a.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Andras, Brewin, Brown, Churchill, Deachman, Éthier, Fane, Forrestall, Foy, Groos, Harkness, Lambert, Langlois (*Chicoutimi*), Laniel, Lessard, Macaluso, Matte, McIntosh, McNulty, Rock, Smith and Winch (22).

Also present: Messrs. Chatterton, Nugent, Orange and Winkler.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Air Marshal F. R. Sharp, Vice Chief of the Defence Staff.

The Chairman read the Eighth Report of the Subcommittee on Agenda and Procedure, which is as follows:

Subcommittee on Agenda and Procedure

MONDAY, February 6, 1967.

Your Subcommittee met to consider a plan for future meetings, in connection with Bill C-243. Your Subcommittee submits the following recommendations:

1. That the Minister and departmental officials be invited to appear during the period Tuesday, February 7 to Thursday, February 9, 1967, in respect of the implications in the Bill before the Committee.
2. That representatives of the TRIO Organization be invited to appear on Friday, February 10, 1967.
3. That the Subcommittee should meet again soon to decide on a list of individuals, and organizations that are national in character, which it would recommend should be heard, with the understanding that any such witnesses should be invited to appear on a voluntary basis. In addition to TRIO, it has been mentioned that the Air Force Officers' Association and the Naval Officers' Associations should be heard.
4. That the Committee pay reasonable travelling and living allowances of certain witnesses when it has been decided which ones will be invited to appear.
5. That approximately 8 days should be provided for the hearing of witnesses including any organizations which may be invited to appear.
6. That as far as possible, meetings of the Committee should begin each day at 10:00 a.m.

7. That the Chairman seek priority for reproduction of the Committee's Proceedings.

The Eighth Report of the Subcommittee was approved, *on division*, on a motion by Mr. Foy, seconded by Mr. Lessard.

It was agreed that the meeting originally scheduled for 3:30 p.m. this day should be cancelled. The next meeting will be at 8:00 p.m. this same day.

The Chairman called Clause 1 of Bill C-243, *An Act to amend the National Defence Act and other Acts in consequence thereof*. He invited the Minister to make his opening remarks and to introduce Air Marshal F. R. Sharp.

The Minister gave a definition for the proposed Unified Force and then Air Marshal F. R. Sharp, Vice Chief of the Defence Staff, presented a briefing for the members. He described the aims of unification, the reasons for complete unification and the types of planning which are underway. He emphasized that the briefing was intended to show the Committee an overall picture of the magnitude of the re-organization. The appropriate staffs could be made available to the Committee if the members wished to study some of the subjects referred to, in greater detail.

On motion of Mr. Macaluso, seconded by Mr. Fane,

Resolved,—That charts and illustrations used in the briefing be incorporated in the Evidence of this meeting.

It was agreed that Air Marshal Sharp's briefing would be reproduced for the members, press and witnesses, before the evening sitting of the Committee this day.

It was moved by Mr. Macaluso, seconded by Mr. Langlois (*Chicoutimi*), that a member be limited to a period of ten minutes during the first round of questioning, to be followed by the same system of rotation on further questioning.

After debate on the first motion, it was moved by Mr. Fane, seconded by Mr. Brewin that time limits on questions asked by the members be left to the Chairman's discretion.

Following further debate, Mr. Macaluso and Mr. Fane withdrew their respective motions.

Mr. Rock drew attention to an error in Issue No. 12 of the Minutes of Proceedings and Evidence. The Committee agreed to the correction.

The meeting was adjourned at 12.05 p.m. The Committee will meet again at 8:00 p.m. this day, to question the Minister and Air Marshal Sharp.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

TUESDAY, February 7, 1967.

The CHAIRMAN: Gentlemen, we now have a quorum and I call the meeting to order. We have the eighth report of the subcommittee on agenda and procedure which I will read to you:

The Subcommittee on Agenda and Procedure of the Standing Committee on National Defence met at 12.30 p.m. this day, dated Monday, February 6. The Chairman, Mr. Groos, presided.

Members present: Messrs. Andras, Churchill, Groos, Lambert, McNulty and Winch.

Your Subcommittee met to consider a plan for future meetings, in connection with Bill No. C-243. Your subcommittee submits the following recommendations:

That the Minister and departmental officials be invited to appear during the period Tuesday, February 7 to Thursday, February 9, 1967, in respect of the implications in the Bill before the Committee.

That representatives of the TRIO Organization be invited to appear on Friday, February 10, 1967.

That the subcommittee should meet again soon to decide on a list of individuals, and organizations that are national in character, which it would recommend should be heard with the understanding that any such witnesses should be invited to appear on a voluntary basis. In addition to TRIO it has been mentioned that the Air Force Officers' Association and the Naval Officers' Associations should be heard.

If I may pause for a moment, I believe we are probably referring to the Committee on the Maritime Component of the Canadian Defence Force, which includes the Navy League of Canada, the Naval Officers Associations of Canada and the Royal Canadian Naval Association. That came to my notice only when I saw the minutes written up.

That the Committee pay reasonable travelling and living allowances of certain witnesses when it has been decided which ones will be invited to appear.

That approximately eight days should be provided for the hearing of witnesses including any organizations which may be invited to appear.

That as far as possible, meetings of the Committee should begin each day at 10.00 a.m.

That the Chairman seek priority for reproduction of the Committee's proceedings.

The subcommittee meeting adjourned at 1.35 p.m.

Respectfully submitted,

Are there any comments any one wishes to make?

Mr. CHURCHILL: Mr. Chairman, I just want to make one comment. Apparently the impression has been created that the subcommittee agreed unanimously on this procedure. It did not. I did not think we should start off with hearing the Minister again and going through the routine of hearing from the Department.

The second thing is that the notice we received today suggests three meetings—10 o'clock, 3.30 and 8 o'clock. That was not a subject for discussion at the subcommittee meeting and I enter my protest against meeting three times a day. The House of Commons happens to be meeting, you know, and I think the Committee should have at least some time to look in at the House. Consequently, I think two meetings a day of this Committee would be sufficient.

The CHAIRMAN: I might just tell the Committee, on Mr. Churchill's comments, that we were not unanimous, I think, only on the order—I am not sure if I am correct here—in which people should appear. But it was the general feeling of the majority that the Committee would wish to be briefed on what has happened over the past eight months before we went into hearing the majority of the witnesses.

As for the three meetings, the subcommittee felt that inasmuch as there is a timetable we are trying to meet, if possible, in getting this bill through the Committee by the end of this month, or thereabout, we would have to press on as fast as we could, and it was left to the Chairman to see how quickly we could get started. In so far as today is concerned, I announce now that I understand the difficulty and the meeting for 3.30 this afternoon is cancelled, but I hope we can carry on at 8 o'clock tonight.

Some hon. MEMBERS: Agreed.

Mr. HARKNESS: If I might say a word, I would agree with Mr. Churchill that two meetings a day are really all that most members can handle, in addition to making some appearance in the House and keeping up with correspondence, and so on. I think three meetings a day are just too much for members of the Committee to handle and to attempt to do so, I think, would merely mean that it would be impossible to get a quorum a good deal of the time.

The CHAIRMAN: I think, Mr. Harkness, that as a schedule will be laid down for the witnesses we bring here, perhaps we will not require the last meeting of the day, but I would like to leave it as it is and see how we get along.

Mr. LAMBERT: Mr. Chairman, I can tell you from personal experience that the Finance Committee has been doing this on the basis of very reduced attendance—very reduced attendance—and, quite often, not too successfully. It imposes a terrific strain on the Committees Branch as well. We have to consider the personnel who are working with us. I know that in certain cases this might be the only feasible method, but to lay it on now as a matter of practice is certainly too much. Also, a further statement which struck me with some surprise is that the witnesses would be completed within eight days. I do not know that these particular timetables were ever discussed and it comes as a matter of conclusion, I think, for some one—

The CHAIRMAN: If I could comment on that point, I specifically remember mentioning this time of eight days—we did not dwell on it—but I did mention it at the time. Actually, Mr. Lambert, we have had a good record of attendance in

this Committee; we have never been held up for a quorum for more than five minutes or so, as far as I can recall.

Mr. LAMBERT: Let us not spoil the record.

The CHAIRMAN: I do not want to spoil our record, but if we could just carry on the way we started we will certainly make adjustments if things go wrong.

Mr. ROCK: Mr. Chairman, I think it would be very unfair for us not to continue as we have in the past. You say, three meetings a day, if possible. This all depends on the witnesses. It is very difficult if we were going to call in a witness, say, at night and then ask him to come back the next day. Or, say, if we were considering having two meetings a day, and just because we are having two meetings a day instead of three, we will have to call him back the next day.

The CHAIRMAN: Mr. Rock, we have down here, as the third, item, that the subcommittee is going to meet again on this, so I suggest we leave it at that.

Mr. SMITH: Mr. Chairman, the need for urgency is expressed as consideration for the witnesses rather than for other considerations.

The CHAIRMAN: May I have a motion, then, that we approve the report of the subcommittee?

Mr. FOY: I move that the eighth report of the subcommittee on agenda and procedure be approved.

Mr. LESSARD: I second the motion.

The CHAIRMAN: All in favour? Contrary minded?

Motion agreed to.

The CHAIRMAN: I remind members that the proceedings scheduled for 3.30 today are cancelled but we will be meeting again this evening at 8 o'clock.

We have before the Committee for consideration and study, Bill No. C-243, An Act to amend the National Defence Act and other Acts in consequence thereof. In this connection we have with us this morning the Hon. Paul Hellyer, Minister of National Defence, and the Vice Chief of the Defence Staff. As the first order of business I call clause 1 of Bill No. C-243 and invite the Minister to make his opening remarks before the questioning begins.

On Clause 1—*Short title.*

Hon. PAUL HELLYER (*Minister of National Defence*): Mr. Chairman and members of the Standing Committee on National Defence, since the Standing Committee on National Defence last met I have, on moving second reading of Bill No. C-243, given an extensive report to the House on the rationale of the White Paper on Defence; the decision to reorganize the forces; the formation of the Canadian Forces Headquarters; the reorganization of the field command structure; the aim of the reorganization and various aspects relating to the bill now before you.

Nevertheless, during the debate on second reading of this bill, the question of fundamental defence policy was raised repeatedly. May I say, again, that the objectives of Canadian defence are the same as set out in the White Paper of 1964. First, to preserve the peace by supporting collective defence measures to deter military aggression. Second, to support Canadian foreign policy including that arising out of our participation in international organizations. Third, to

provide for the protection and surveillance of our territory, our air space and our coastal waters. There has been no change in these defence policy objectives.

How we meet these objectives is, of course, relevant to the discussion of this bill. We believe, and we are prepared to illustrate to the Committee, that the proposed unified force—Mr. Chairman, now that I have used that phrase which seems to be subject to various interpretations, let me give just one definition which I think applies to it. When I refer to a unified force I refer to a single integrated service encompassing the naval, land, air and support units necessary to carry out its assigned roles and missions and operating under unified management and control.

The proposed unified force will provide much greater flexibility to meet changing requirements in defence organization which has been made necessary by advances in military technology, budgetary limitations and changes in the international situation. The demands of modern warfare are such that commanders and staff down to the lowest level of operations and the support echelons must act together and in unison as the situation demands. That is why it is a fair conclusion to say that a single organization which works and thinks together with direct lines of communication and a single line of responsibility, substantially reduces the problems associated with the three service system of coordinating combined operations.

In my speech on second reading of Bill No. C-243, I dealt with the structure of the Canadian forces appropriate to support our defence objectives. To provide you with further information regarding our force structure, members of the Defence Staff will brief you on various aspects of the re-organization. In these briefings you will be given information regarding our Defence Forces to bring you up to date since our briefings of eight months ago. Through these briefings I hope you will be able to determine the progress that has been achieved in the past months and also to gain insight into some of the problems we faced during the same period. At this point I would like to suggest, Mr. Chairman, that many of the questions which members of the Committee may have regarding this Bill will probably be answered during the course of the briefings. Subsequently, the Associate Minister and I will attempt to deal with those that remain.

I hope that I have been able to indicate that our defence objectives have not changed substantially since the introduction of the White Paper, and that we are prepared in these particular meetings to relate the policy to the structure, roles and equipment required by the Forces.

Mr. Chairman, Air Marshal Sharp appeared before this Committee on June 17 last, in his capacity as Commander, Training Command. I think that all the members of the Committee were most impressed by his presentation and his grasp of the task which he was given. Since that time, Air Marshal Sharp was promoted to his present rank and appointed Vice Chief of the Defence Staff. In his new position he has assumed a wide range of responsibilities, including that of Operational Research (Programs), Intelligence, Operational Services (Plans) and the Reserves. With your permission, Mr. Chairman, I would ask that the Committee now receive Air Marshal Sharp's presentation.

The CHAIRMAN: Air Marshal Sharp?

Mr. McINTOSH: May we have an opportunity to question the Minister?

The CHAIRMAN: I understand that the Minister is going to remain through all the hearings and he will be available for questioning at any time. How long is your presentation, Air Marshal Sharp?

Air Marshal F. R. SHARP (*Vice Chief Defence Staff*): Two and a half hours, Sir.

Mr. McINTOSH: Mr. Chairman, I have one brief question—there are three points to it—that I would like to ask the Minister, and I think his answer would give us a better basis of understanding of what Air Marshal Sharp is doing in regard to policy, as he said: "There is no material change." But he made a statement in 1963 which he gave to the Defence Committee—

Mr. MACALUSO: On a point of order. Are you going to allow questioning now or after? I think there was a ruling that you would allow questioning after Air Marshal Sharp's presentation. I think if that is the ruling we should go ahead and do that.

Mr. CHAIRMAN: Mr. McIntosh, if your question could wait until after Air Marshal Sharp has finished his presentation, then we will get into the general area of questioning. If we start with one, we will open the whole meeting to questions and I do not think we will get started on this presentation.

Mr. McINTOSH: Mr. Chairman, my point is that I do not think my question has anything to do with what we are going to be shown in the two and a half hours.

Mr. MACALUSO: Mr. Chairman, on that point, I think if you proceed with Mr. McIntosh now, then the rest of us have questions, but if we wait, the Minister is going to be here. Therefore, let us question in that context.

Mr. CHAIRMAN: I think if we are going to make any sort of progress, Mr. McIntosh, I will have to ask the Air Marshal to continue now and hear these questions afterwards. That seems to be the general feeling of the meeting. So, regretfully, I ask you to wait until after Air Marshal Sharp is finished. Would you carry on please.

Air Marshal SHARP: Mr. Chairman, we all know with almost sure certainty that the world as we know it today would not be able to survive another major all-out war. It is, perhaps, the hazy hope and even belief of all of us that for this very reason it will never happen; that the nuclear deterrent and stalemate will be completely and forever effective. This may well be so in the case of deliberate decisions concerning direct confrontations between the major nuclear powers, but does the nuclear deterrent cover the case of small confrontations escalating, bit by bit, into major wars? Probably not or, at least, not with enough certainty that one can ignore small confrontations.

It is, therefore, Canadian Government policy, as outlined in the 1964 White Paper on Defence, to not only continue to provide defensive forces that contribute to the credibility of the nuclear deterrent, but also forces which will be useful in preventing small confrontations from escalating into major war. In other words, it is government policy to create meaningful forces for peacekeeping and peace restoring. This does not mean, nor does the White Paper state, that the present roles will be given up.

The White Paper includes two other major policy objectives: one is to greatly modernize our management methods and the second is the integration of

the forces leading to unification. In order to measure progress to date and to assess whether the process leading to unification should be completed or stopped in mid-stream, we might first review what we hoped to accomplish by unifying the forces.

February 7, 1967

NATIONAL DEFENCE

443

AIMS OF UNIFICATION

1. REDUCE OVERHEAD COSTS TO PROVIDE MORE FUNDS FOR THE ACQUISITION OF OPERATIONAL EQUIPMENT.
2. ENSURE THAT THE RESOURCES DEVOTED TO THE VARIOUS OPERATIONAL FUNCTIONS IN THE THREE SERVICES ARE COMPATIBLE.
3. ESTABLISH A POSTURE TO TAKE ADVANTAGE OF LATEST ADVANCES IN SCIENCE AND TECHNOLOGY.
4. MODERNIZE OUR MANAGEMENT PROCESSES AS RECOMMENDED IN THE GLASSCO COMMISSION REPORT.
5. INCREASE THE FLEXIBILITY OF THE FORCES.
6. PROVIDE CHALLENGING CAREERS FOR PERSONNEL.
7. INCREASE OPERATIONAL EFFECTIVENESS.

We hoped, firstly, to be able to reduce overhead costs, and costs for non-operational activities so that we could devote a larger percentage of our budget and resources to operational functions, particularly the procurement of modern operational equipment.

We hoped to change the top level decision-making process so that the resources that were devoted to operational functions in different services would be compatible. As a hypothetical example, it would not make sense for the army to buy airtransportable equipment if there was no means of transporting this equipment by air.

We hoped to organize our forces in such a way that optimum advantage could be taken of the latest advances in science and technology, unhindered by arbitrary divisions in missions between the three services.

In keeping with the recommendations in the Glassco Commission Report we hoped to modernize our management processes and create an organization shaped to facilitate this.

We wanted to build more flexible forces; forces which could react more quickly, so that we could contribute a fair share to preventing minor confrontations throughout the world from escalating into all-out war, but at the same time, retaining our capability to contribute in a realistic manner to the deterrents of all-out war.

And finally, but certainly not least in importance, we hoped to provide our personnel with more satisfying careers by giving them wider employment opportunities and work with modern equipment and techniques.

These were the aims which were, of course, to be accomplished without decreasing operational effectiveness during the process. In fact, operational effectiveness should be increased. How and why did the pre-1964 organization hinder attainment of these aims? Let me briefly discuss each aim separately.

Firstly, consider the reductions in overhead costs devoted to non-operational functions.

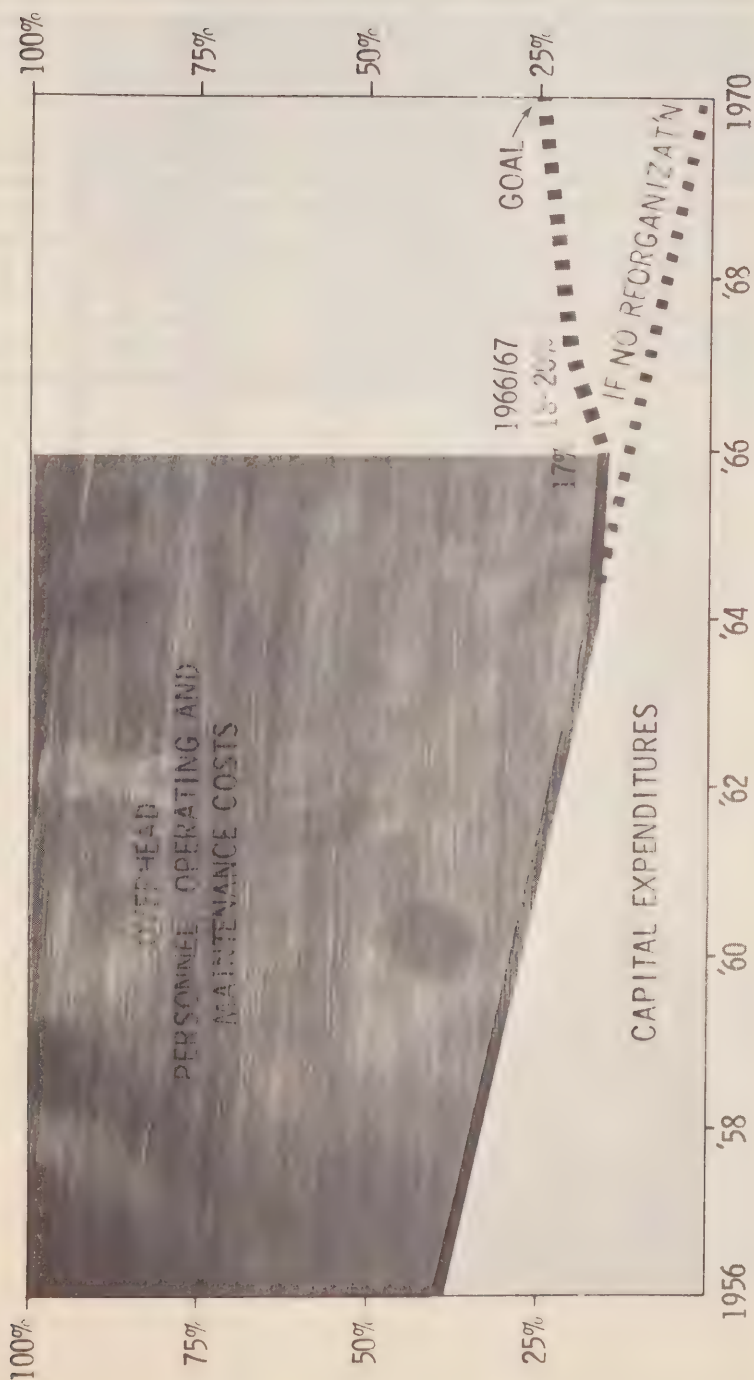
DND EXPENDITURES

Serial Number 2

February 7, 1967

NATIONAL DEFENCE

445

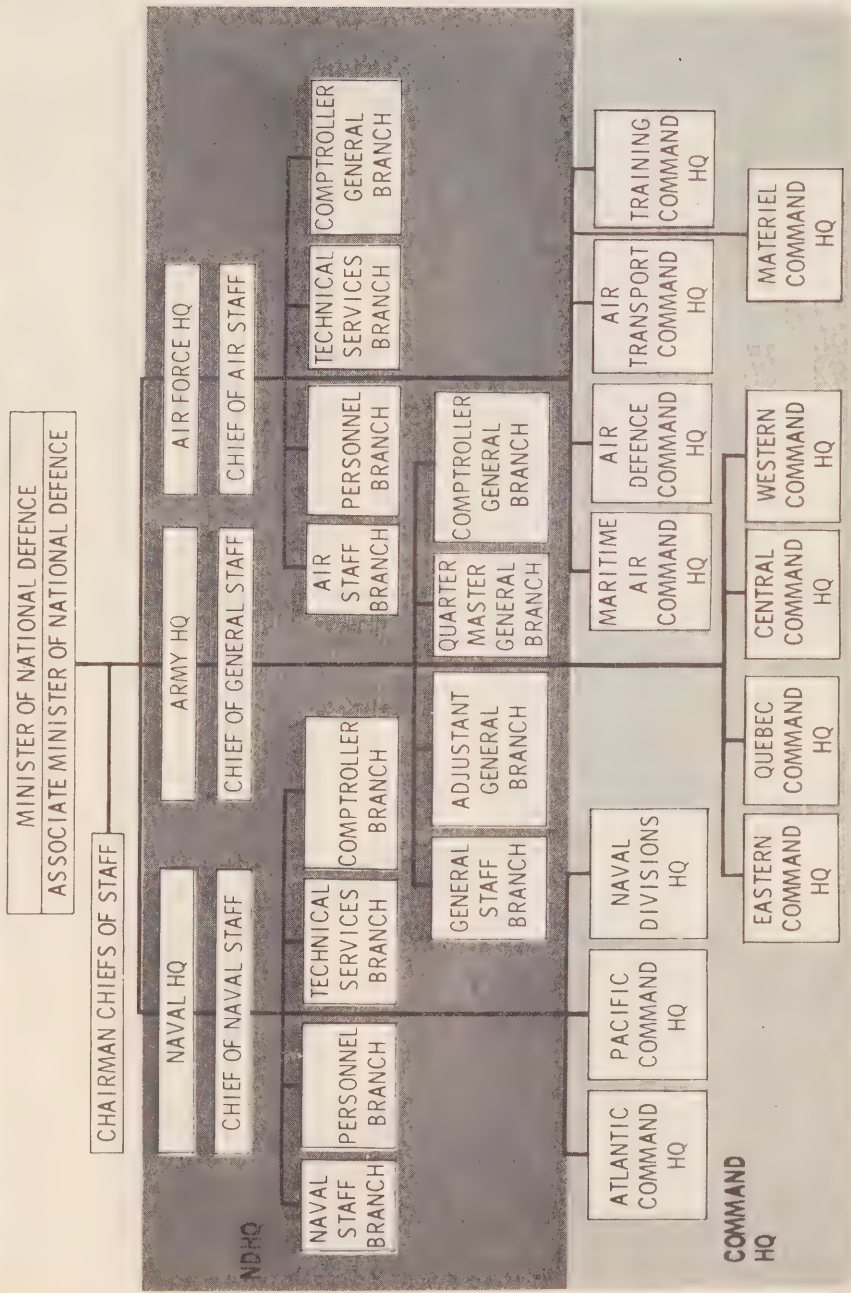


In 1963, a projection of operations and maintenance costs as a percentage of the total budget indicated that by 1968-69 practically no money would be left for the purchase of new operational equipment. Assuming that one wished to maintain modern military forces, there were only two possible courses of action—*increase the budget, or reduce operations and maintenance costs.* In fact, there was no guarantee that an increase in the budget would solve the problem. Operations and maintenance costs as a percentage of the total budget might continue to rise unless something fundamental was done about it. In any event, we did not feel that we could recommend an increase in the budget until we had investigated all means of reducing non-essential and non-productive expenditures. By investigating all means I do not mean merely the normal yearly budget review; “all means” includes taking a look at our fundamental way of doing things.

Even so, you will appreciate that, if through inflation the costs of goods and services continue to increase at a rate higher than our budget ceiling increases, the percentage for personnel, operations and maintenance costs will inevitably rise unless we continually reduce our scale of operations.

The first and obvious place to look for unnecessary overhead was in the various headquarters which, prior to integration, looked something like this.

PRE-INTEGRATION HEADQUARTERS ORGANIZATION OF THE THREE SERVICES

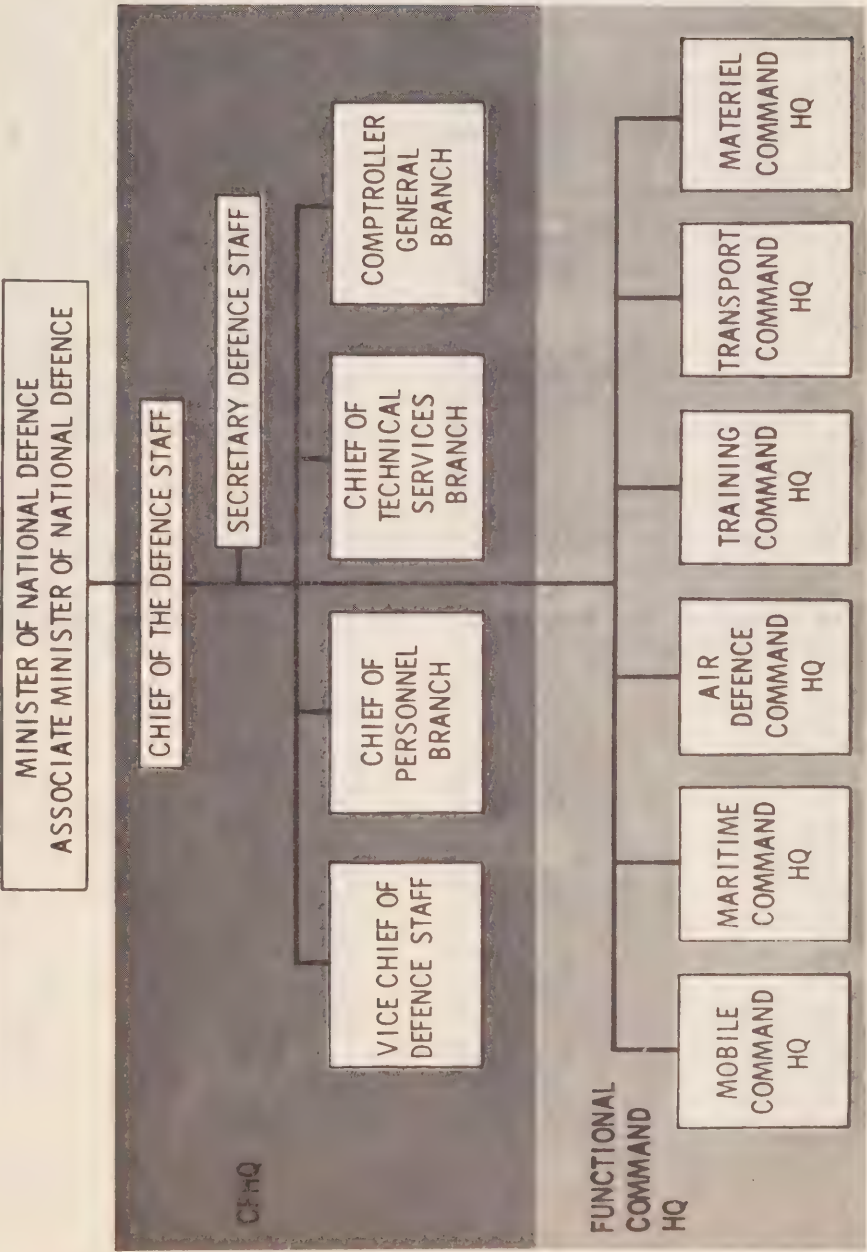


There was at one time justification for relatively large headquarters. If the Canadian forces were to be capable of rapid substantial expansion, there might be justification for employing more personnel than required in a headquarters. These personnel could form the base for expansion. In the context of the present world situation, however, we need forces in being and there may be not time for expansion. The size of the headquarters, then, should be related to the functions that we must be able to perform on short notice.

You will note from the chart that there was, with one or two exceptions, a complete triplication of functions between the three services. Each had headquarters personnel, for example, responsible for the logistics function.

To reduce this overhead in headquarters, a single top level headquarters—Canadian Forces Headquarters—and a single new command structure was put into effect. It looks like this.

PRESENT HEADQUARTERS AND COMMAND ORGANIZATION



The reduction in the Canadian Forces Headquarters staff was in the order of 25 per cent. Triplication also existed in some other functions, such as logistics, communications, transport, recruiting, training, pay and finance, personnel administration and services and some engineering functions such as building maintenance. Single management of these functions will alleviate this triplication. Some programs to bring this about have been completed, resulting in a reduction in recruiting staff, for example, of about 30 per cent and in communications of 10 per cent of the personnel and about \$4.5 million saving annually. Some programs to bring this about have been completed and others are now being introduced and you could hear more about these later, if you so wish.

Finally, triplication and duplication also exists in the bases and other facilities—three electronics schools, for example—each with its own expensive training equipment and other special facilities. The creation of functional commands and Canadian forces bases permits the rationalization of these triplicate facilities. As a result of these and other programs, our establishments—that is, our manpower requirements—have already been reduced by about 10,000 establishment positions. Other reductions will be identified as the unification program progresses.

The second aim was to change the emphasis of our top level decision making so that policies, plans and decisions concerning major procurement programs would be decided on the basis of the total Canadian military force's needs rather than on the narrower needs—and sometimes incompatible desires—of individual services.

The creation of a Canadian Forces Headquarters and functional commands has formed a framework for such decision making. The introduction of the integrated defence program (IDP) created the machinery. The validity of military policies and plans is now measured against government defence policy as outlined in the White Paper, rather than against each service's interpretation of its part of it. The validity of recommended procurement programs will be measured against three criteria.

CRITERIA TO VALIDATE RECOMMENDED PROGRAMS

Serial Number 5

February 7, 1967

NATIONAL DEFENCE

451

1. DOES IT MAKE OPTIMUM CONTRIBUTION
TO **APPROVED** MISSIONS?
2. DOES IT FIT WITHIN THE PERCENTAGES OF
THE TOTAL BUDGET ALLOTTED TO VARIOUS
MISSIONS?
3. DOES IT FIT WITHIN THE BUDGET AND
MANPOWER LIMITATIONS?

First, that the program make optimum contribution to the accomplishment of an approved mission or role as expressed in the plans. Second, does it fit within the percentages of our total budget which we will decide to devote to each step in the war escalation ladder, which starts at aid and observer teams right up through limited war to nuclear holocaust? If it can be used in more than one step in the war escalation ladder, this is a very desirable bonus factor. Third, does it fit within our budget and manpower limitations?

This system of deciding on major procurement programs for the total forces is a far cry from the old method where each service tended to jockey for all the funds it could justify. It is demonstrably resulting in a much more balanced and much more effective military force, dollar for dollar. For example, our forces will be able to react much more rapidly than they have in the past.

The continuation of three separate services, and all the loyalty, devotion and emotion that these generate, could not help but reduce the objectivity of top level planning. To the extent that objectivity was reduced, operational effectiveness went down and defence money was wasted. In making this statement I am in no sense questioning the integrity of past leaders of the three services. But, as advances in science unfolded, these leaders were faced with decisions which brought into play conflicting loyalties: that of upholding the relative position of their service versus providing for Canada the most effective total defence within a given budget ceiling.

The third aim was to create an organization which would allow advantage to be taken of the latest advances in science. A single force enables this in at least two ways. The rapid advances taking place in science could have a profound effect on the methods of warfare. Such developments as satellites for reconnaissance and even missile launching, ICBMs, IRBMs, nuclear warheads and reconnaissance drones cut across the traditional roles of the three services. Because of the really significant changes and the great expense associated with these developments, we must be able to assess them as dispassionately and objectively as possible. The officers working on these assessments are more likely to be objective if not inhibited by maintaining the traditional positions of three separate services. In the support functions, such as logistics, pay and finance and training, economies of scale permit the introduction of computerized systems which the three services could not afford to buy on their own.

Let me list a few of the modern management processes being introduced:

MODERN MANAGEMENT TECHNIQUES

1. COMPUTERIZED PROGRAM CONTROL
2. COMPUTERIZED PAY SYSTEM
3. COMPUTERIZED LOGISTICS SYSTEM
4. COMPUTERIZED MANAGEMENT INFORMATION
SYSTEM
5. COMPUTERIZED PERSONNEL RECORDS

Computerized program control; computerized pay system; computerized logistics system; computerized management information system and computerized personnel records keeping system. The significance of these is not so much that they are computerized, but that the processes make use of the latest and most modern of management techniques, that they produce substantial increases in effectiveness and efficiency and that they demonstrate to our servicemen that they belong to an organization that is prepared to be progressive and forward looking. Contrary to popular belief, these computerized systems enable us to pay more attention to the feelings of our servicemen, not less. I will say more about this later.

One should also realize that as things become more complex, and military problems are becoming more complex, it is simply not possible to perform some functions without the aid of computers. Space programs are the best examples of this. We are not in the space business, but the principle applies as our equipment becomes more complex and more expensive.

In the operational functions the reduction in non-operational overhead costs permits the introduction of newer and more modern operational equipment.

Let me give some examples of modern operational equipment either under procurement or planned.

MODERN OPERATIONAL EQUIPMENT

1. NEW PROPULSION SYSTEM FOR DDH.
2. AUTOMATED POINT DEFENCE MISSILE SYSTEM.
3. COMMAND AND CONTROL SYSTEM - 280.
4. ANTI - SUBMARINE ROCKET SYSTEM (ASROC).
6. BUFFALO AIRCRAFT AND HELICOPTERS FOR MOBILE COMMAND.
7. NEW TRACKED RECONNAISSANCE VEHICLE.
8. CF-5 TACTICAL SUPPORT AIRCRAFT.
9. M113A1 ARMoured PERSONNEL CARRIER.
10. C130E HERCULES AIRCRAFT.
11. FALCON JET AIRCRAFT.
12. BUIC PROGRAM.
13. NEW FIXED COMMUNICATIONS (AFTER STUDY).

A new propulsion system in the new DDHs which represents a significant advance in ships' propulsion. Mention of this new propulsion system enables me to make an observation concerning new equipment. This new propulsion equipment requires approximately one half the number of personnel to operate it compared with older equipment. Here is an example of how new equipment enables us to increase operational effectiveness and at the same time reduce manpower requirements. Another example is the 155-MM self-propelled gun. It is much more effective operationally than the towed version it replaces, yet requires fewer personnel to operate at gun positions.

Another example is the automated short range air defence system (sea sparrow) for the DDHs and the two support ships. This employs certain techniques in advance of most other navies. We are also considering a semi-automated short range air defence system for mobile command.

Third, new action information control system for the DDHs. Fourth, anti-submarine rocket system (ASROC). Fifth, Buffalo aircraft and modern helicopters for mobile command. Next a new tracked reconnaissance vehicle, the CF-5 tactical support aircraft; the M113A armoured personnel carrier; the Hercules C130Es; the Falcon small jet transport and the BUIC back up interceptor control system, and for the Canadian forces communications system, a complete and thorough study of communications needs which will result in greatly modernizing our fixed communications networks.

These are just examples of our modernization program, all possible within a budget which without integration and unification would have been devoted almost entirely to day to day operations and maintenance; in other words, maintaining tired old equipment.

Besides the obvious increase in operational effectiveness that these programs will bring about, consider the challenge and satisfaction that our servicemen will now enjoy compared to working with outdated equipment and old methods and procedures. Consider too whether the morale of today's servicemen is likely to be higher in the future with these programs or without them.

The next aim was to modernize our management processes. To a considerable extent this is tied in with our aim to take advantage, by buying sophisticated equipment, of the latest advances in the physical sciences—but not entirely. As examples: we are now in the middle of a pilot study, assisted by a Canadian consultant firm, on financial management. This is in keeping with the recommendations of the Glassco Commission report and will allow us to introduce responsibility accounting and make program budgeting and the integrated defence program more meaningful. To illustrate the magnitude of this study, and the care and thoroughness which is being devoted to it and to the many other programs, four consultants and five service experts have been working full time on this study for 12 months. It will be completed and implemented in one command on a trial basis this spring. It will then be changed if necessary and applied to all commands. Next a comprehensive job analysis program has been initiated by a full time staff of service experts.

It will take over two years to cover these other ranks jobs and a further period of study for officer jobs. This will provide objective information to keep our trade structures and trades specifications up to date. It will allow us to ensure that recruiting and training standards are appropriate to the jobs to be

performed by our servicemen. It allows us to keep up to date manpower requirements; it facilitates methods improvement programs.

An increasing number of management engineering studies have been performed, a total in 1965 and 1966 of some 530 different studies, resulting in possible yearly returns of approximately \$14 million. The direct cost of these studies was approximately \$1.3 million, a ratio therefore of returns versus costs of 11 to 1. Here are a few examples of the studies to give you an appreciation of the range of activity investigated.

MANAGEMENT ENGINEERING STUDIES

1. VALIDATION OF MANPOWER REQUIREMENTS IN THE NDHQ SECURITY GUARD ORGANIZATION.
2. DESIGN OPTIMUM OFFICE LAYOUT FOR MEDICAL RECORDS.
3. STUDY OF DISTRIBUTION EQUIPMENT AND PROCEDURES FOR DIRECTORATE OF INFORMATION SERVICES.
4. OPTIMIZATION OF MESSAGE DISTRIBUTION.
5. IMPROVEMENT TO RECORDS MANAGEMENT.
6. A STUDY TO DETERMINE OPTIMUM CF 104 MAINTENANCE MANPOWER REQUIREMENTS.

A validation of the manpower requirements in the NDHQ security guard organization. Design of optimum office layout for medical records. A study of distribution equipment and procedures for directorate of information services. The optimization of message distribution, improvement to records management and a study to determine optimum CF 104 maintenance and manpower requirements.

One might argue that most of these programs to modernize management could have been introduced without integration or unification. The fact is that they were not. It took the spirit of change, the willingness to innovate, associated with the significant change of unifying the forces, to give incentive to these programs.

Another aim was to create more flexibility in our forces, so that we could contribute to all ranges of the war escalation spectrum, rather than mainly to direct deterrent to all-out war. Flexibility of this sort requires at least two things, a range of equipment which without integration we could not afford, and a joining together of the sea, land and air elements under common management. Considering modern weapons, and the requirements for quick response, the three services must be capable of reacting together. The chances of achieving this co-ordinated reaction are much greater with a unified force than with three separate services.

To Provide Personnel With Satisfying Careers

Another aim was to provide our personnel with satisfying careers. For those of you who have daughters and sons in their late teens and early twenties, and this is our servicemen and servicewomen of today and of the future, I am sure you will agree that there are several ingredients to satisfying careers. Some of these are:

PERSONNEL CAREERS

Serial Number 9

460

NATIONAL DEFENCE

February 7, 1967

1. AN OCCUPATION WHICH IS CLEARLY WORTHWHILE.
2. WORK WHICH CHALLENGES THE CAPABILITIES OF THE INDIVIDUAL.
3. WORK WHICH EMPLOYS UP-TO-DATE METHODS AND EQUIPMENT.
4. WORK IN AN ATMOSPHERE OR ENVIRONMENT WHICH ACCEPTS THE CHANGE NECESSARY TO KEEP UP WITH ADVANCES IN SCIENCE; AN ENVIRONMENT WHICH IS RECOGNIZED AS A LEADER IN THE FIELD.
5. ADVANCEMENT BASED ON ABILITY, AND AT A REASONABLE RATE.
6. REASONABLE FINANCIAL AND OTHER COMPENSATIONS.
7. RECOGNITION BY THE PUBLIC AND FRIENDS THAT THE INDIVIDUAL'S WORK IS DEMANDING.

Full implementation of the policy contained in the White Paper will go a long way to providing these necessary conditions.

In peacetime some segments of the public do not view the military with the respect and sense of necessity that is accorded it in wartime. To the extent that this type of thinking prevails, it has a profound adverse effect on the morale of our servicemen. The White Paper helped the serviceman in this aspect in several ways. It clearly states the broad objectives and aims of Canadian defence policy. It makes it abundantly clear that it is government policy and therefore has the support of the majority of Canadians to maintain a modern defence force. Additionally, it approves missions or roles that could involve Canada in many of the steps in the war escalation ladder rather than only in all-out nuclear war. This is significant because servicemen, as a representative cross section of the Canadian population, have the same variety of views towards the validity of depending solely on the nuclear deterrent. The flexible forces that unification will allow provides more meaningful roles in the eyes of the Canadian serviceman than forces devoted solely to any one part of the war escalation ladder.

The program to acquire more sophisticated equipment and introduce more modern techniques, certainly increases the challenge to our serviceman and gives him an assurance that he works with equipment that is as advanced, and in most cases more advanced, than his civilian counterpart or military counterpart in other countries. We are also embarking on a program to substantially increase and encourage the education opportunities for the serving serviceman. The fact that these programs are being introduced, as a result of proceeding towards unification, demonstrates to the serviceman that his is a modern, up to date service. You have perhaps seen the pride, and thus increase in morale, with which our serviceman accepts a piece of new modern equipment or readily adapts to an up to date method or technique. Our servicemen are competent, eager and forward looking. They will react favourably to a service which embodies the same characteristics, and unfavourably to one which does not.

The Personnel Pay Structure, which can be described to you by the Chief of Personnel, demonstrates reasonable pay and promotion by ability.

Integration Versus Unification

I would now like to turn to the reasons for proceeding to complete unification, rather than stopping in midstream at integration.

Perhaps I should start by defining the difference between integration and unification. In the minds of some, integration and unification have been regarded as alternatives; in the minds of others as two separate and easily-defined steps in a process—two steps which were so distinct that there was no or little overlap between the two. Neither of these definitions is correct—except in the purely legislative sense. In the strict literal sense the difference between integration and unification is legislative. Integration of the three services began when the National Defence Act was amended in 1964, creating one chief of the Defence Staff and abolishing the three separate chiefs of staff positions. Unification will become a legislative fact if the National Defence Act is amended to create one service in lieu of the present three services.

However, aside from the legislative aspect, it is difficult to define precisely where integration ends and unification begins. The whole process is a continuous, complex progression of interwoven steps. Legislation will simply give formal

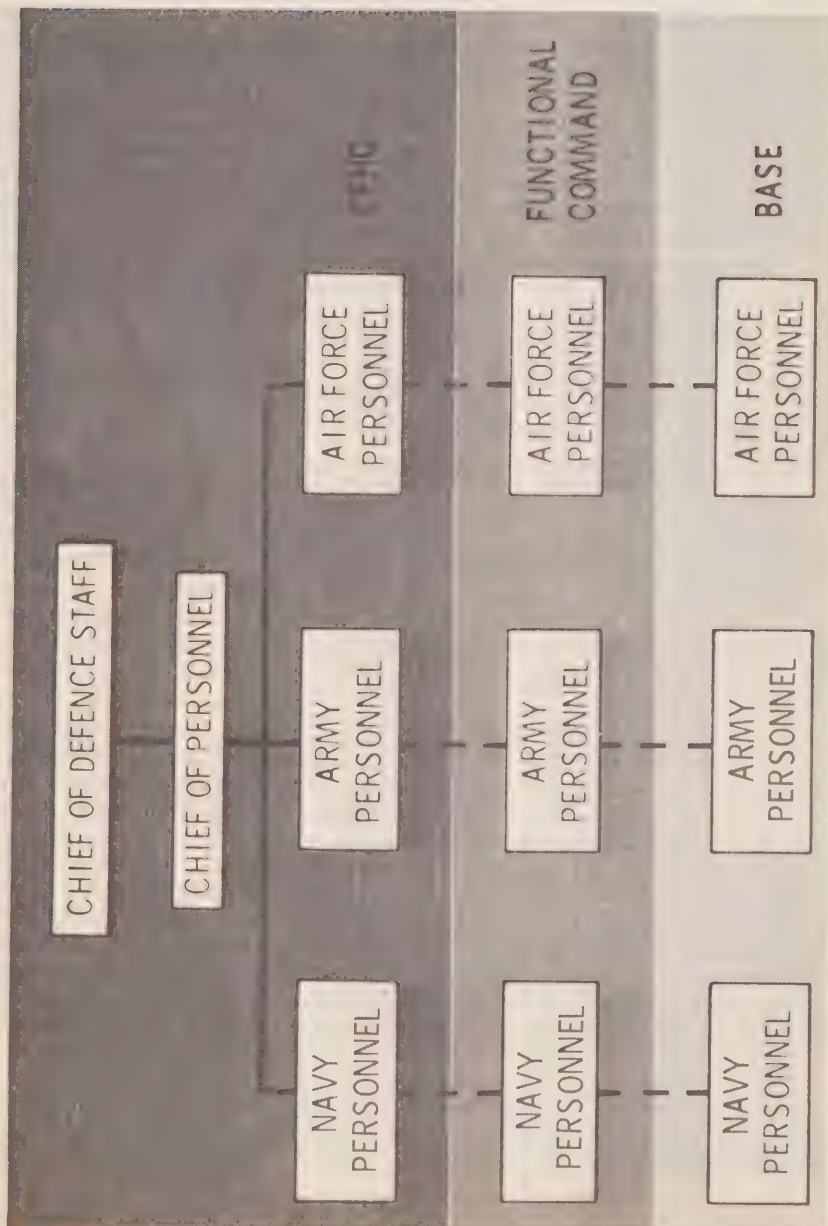
approval to one identifiable aspect of this process. For ease of illustration, let me try to dissect the process. Accept for the moment the legislative step as constituting the difference between the two.

Integration then is the process by which the three services are brought together under single control and management with common logistics, supply and training systems, operating within a functional command and organizational structure but retaining the legal identities of the three services and the legal barriers between them. Besides the anomaly of three headless services, these barriers make impractical implementation of a common, effective personnel management system. Integration has in fact, produced a series of programs to make the services more effective, which can only become fully successful by unification. A functional command structure cuts across individual service lines and the missions of the commands necessarily combine in some degree the roles and functions of more than one service. The servicemen, however, who form part of, and who operate side by side in the integrated organizations, are still restricted within the legal and traditional barriers of the individual services. These artificial barriers are no longer compatible with the operational demands and career progression and potential opportunities inherent in the new organization.

While it may be argued that conditions of service, recruiting, training and career progression could be made the same within the present three services, the restricting nature of this proposal is immediately apparent. Unless the barriers between the services are removed, the personnel management system would lack the flexibility and scope to make maximum use of the talents of our servicemen and to provide them with improved career and employment opportunities.

Let me give you some examples of situations which would negate effectiveness if we retained three separate services. Under these circumstances we would have to retain three separate personnel staffs, one for each service, even though the policies under which they operate would be the same. This in itself would be a waste in manpower, but this is not the most significant point. Presumably the personnel organization would look like this.

ORGANIZATION for INTEGRATED PERSONNEL MANAGEMENT



With three separate staffs at CFHQ and at the integrated functional commands such as materiel command and training command, and two at many of the other commands such as mobile command and maritime command, we would also need separate staffs at the base level. Although servicemen in the purely fighting trades are unique to an environment, the remainder of the servicemen are in trades which possess some degree of commonalty in qualifications between services—clerks for example. Which of the three services' personnel branches would manage them? If each service has its own clerks, the barriers remain. If the trade is treated as one group, instead of three, which personnel system would look after them?

As another example, consider the infantry lieutenant colonel, who has demonstrated the potential to rise to the top. He should therefore get experience other than his own narrow specialty, say, in training command headquarters or Canadian forces headquarters. Who manages his career then? Who decides which position he shall fill?

Consider next the problem of filling the many positions of full colonel and above which can be filled from personnel from any service—my job, for example. Should we continue to take turns by service or should the best available be selected? If we attempt to continue the now artificial balance in ranks between services, there is bound to be a tendency for an officer in an integrated position to try to protect the narrower prerogatives of his service, rather than look at problems in a more unbiased view and in the interests of the Canadian military forces as an entity.

As a final example, consider the recruit entering one of the non-combat trades, say, construction engineering where he may be employed in any service. Which service does he join? Which uniform does he wear? These are just examples of how failure to proceed to unification would negate the aims we are trying to achieve.

I want to make it abundantly clear that there is no intention of requiring an infantry man to repair aircraft, for example. Nor is there any intention, in so far as non-combat trades are concerned, of replacing personnel in jobs that they are not trained for.

Unification, therefore, by removing the legal and now artificial barriers between the services will bring into necessary concert the complementary functional command organization and the personnel management structure. Fears have been expressed that unification will destroy the single services and make of the force an interchangeable mass of individuals without identity. Unification will not destroy the traditional combat components of the services and the support components will become larger, more all-embracing and more effective. Unification will group servicemen by combat and occupational skills into a single personnel management structure, designed to support the functional mission-oriented command structure which will comprise combat and support units. Basically, existing combat units will neither lose their characteristics nor their roles. But by removing the artificial barriers now existing between the three traditional services, unification will make possible the interchange of personnel between commands as required by operational missions. Unification will permit a common trade structure and career progression which will not only eliminate the present inequalities but will enhance opportunities for broader and more attractive careers.

What would the forces look like if we stopped at integration and did not proceed to unification? Organizationally, there might be little difference. CFHQ could remain, as could the present command structure. Single management of logistics, training, pay and other supporting functions could be attained, although the personnel in these functions would be supplied by three different personnel management organizations. The integrity of the operational units would be maintained in either event. In other words, the organizational shape and the nature of the various functional processes, for example pay, could be the same with unification or with integration. The difference between unification and integration concerns the management and loyalties of the servicemen who would fill the organizations and bring them alive, and it concerns the servicemen who would make the processes work. In other words, the difference between integration and unification, aside from the legislative aspect, concerns our servicemen and how they will be managed, their careers, their employment, their promotions, their morale, their pay and their satisfactions. So I would now like to show how integration and unification affects our personnel management system.

Single Personnel Management System

To understand the requirements of the personnel management system it is necessary to visualize how servicemen will be classified by occupations, and trained and employed. As in any large organization, the grouping of servicemen is dictated by the jobs performed. Doctors, for example, form one group or list or corps; artillerymen another; personnel concerned with operating ships another. Within these broad categories, specialties might be required depending on the diversity and complexity of the tasks; engineers are an example of a group which involved many specialties such as field engineers, electrical engineers, aeronautical engineers, and so on. The significant point is that neither integration nor unification will alter the basic tasks accomplished by these different groups although the work methods might progressively change as new equipment and procedures are introduced.

Within the three services there are tasks which are common or partially common to two or more services. Where commonalty exists to any appreciable degree, it is clearly advantageous to set common trade qualifications, and recruiting and training standards. This will allow flexibility in recruiting and economy in training. Whether personnel can be moved from one environment or from one specialty within a trade grouping to another depends on the extent of the commonalty and the cost of providing the additional training.

Other than in the purely fighting occupations of the three services, a great deal of commonalty exists between the three. Commonalty will increase as new single systems are developed, for example, logistics. In the case of the non-fighting trades, it clearly does not make sense to arbitrarily assign a recruit to one of the three services when he might be employed from time to time in all three services. Servicemen occupied in the unified pay function, for example, might include navy, army and air force personnel. If employment in all services was not allowed, flexibility and some opportunity for career advancement would be lost.

Trades which are unique to an environment, for example, infantrymen, will of course remain unique. Servicemen in such trades will normally remain in them. However, to provide equitable pay and career progression and rank structures throughout the service, common policies and single management on

these matters are required. The single management system will of course build in safeguards to protect legitimate prerogatives of each trade or profession and to foster their career progression. Three or four examples, in addition to those which I have already given, might help to explain this need for a single personnel management system. Consider firstly, as an example, qualifications, training and the employment of servicemen employed in the pay and finance function. A single automated pay system is being developed.

Servicemen now employed in this function in the three separate services will be absorbed and trained and employed in a new pay system—a single pay organization requiring no distinction between services. For servicemen employed in the pay function there will be one set of trade qualifications and training standards instead of three and the now three separate promotion and employment policies will be replaced by one policy and by single management. Where additional environmental training is required because of the unique requirements of an environment, it will be given. For example, the additional seamanship training required if pay personnel are to serve on ships will be provided. Nevertheless, the predominant identification and expertise of servicemen in the function of pay will be with that function and the total service and not with any single environment. This is because an individual enlisted in one of the pay and finance trades will spend most of his career in this trade. He will not necessarily spend all of his career in one environment.

Single selection criteria, training standards, employment and promotion policies are clearly more economical than three. Additionally, a single pay service will be large enough to absorb the capital costs associated with introducing a new automated pay system. A single larger service using the most modern of techniques will provide a greater challenge and opportunity to servicemen in these trades than would three smaller pay services. Finally, a single pay service will provide flexibility in employment. Servicemen in this trade could be posted from one environment to another with a minimum of retraining. Under these circumstances it would clearly be an artificial move to enlist a recruit destined for one of these integrated trades into one of the three services. For trades such as this a single service is required.

In the trades associated with pay and finance the procedures and equipment will be identical, or almost identical, in all environments. In other trades, where the basic skills and knowledge will be similar, much of the equipment will be different for each environment. Radar and other electronic equipments used in the maritime environment are different from those used by the army which is different again from those used by the R.C.A.F. Thus, part of the total skill and knowledge required by servicemen in these trades employed in different environments is common and part is unique. However, it is clearly more economical to give the common training, and probably also the unique training at one school rather than at three schools as is the situation today. Would the school and the base on which it is located be navy, army or R.C.A.F., and which service's personnel administrative procedures would prevail? Unification, but not integration, would make possible simplified and more economical personnel administration under these circumstances.

A third example concerns those trades where the skill and knowledge requirements are unique or almost unique to an environment. An infantryman is a good example. However, even in the case of the infantryman and other unique

environmental trades, some of the knowledge required by other tradesmen is also required by personnel in these unique trades. Service policies, procedures concerning personnel administration, service law, service conditions and pay procedures are examples of the type of knowledge that all servicemen require. This, of course, suggests that some part of all recruit training is common and can, therefore, be given more economically at a common recruit or boot camp school. After that, recruits in these unique trades will be trained only to their environmental requirements and will generally be employed only in that environment until they become more senior. Consideration could then be given to giving them broader experience.

From these three examples it can be seen that except for servicemen in the combat trades there will be no significant difference in career management between services. With common trades, servicemen can be employed in all environments. With trades where a significant commonality exists, flexibility is possible by giving appropriate additional training. In these cases there is no need to artificially distinguish between services. Servicemen in combat trades will, however, remain unique to an environment. One could, therefore, argue that it might be better to create a fourth service to absorb all of the non-environmental functions, leaving for the three existing services the strictly environmental functions. Aside from the difficulty of assigning functions in the grey area between environmental and non-environmental trades to a service, there is a more fundamental reason why a single unified service is required and that concerns a serviceman's loyalties.

It is basically a question of whether the defence interests of the country will be better served in the future by having service personnel, particularly officers, identifying themselves primarily with the total Canadian forces' aims, which would be the case with unification, or with the narrower aims of one of the existing services which would be the case with integration. What is ultimately required, particularly in these times of changing roles and advances in science which blur the traditional dividing line between services, are officers whose decisions will not be limited by a loyalty which is stronger to one of the traditional services than to the Canadian forces treated as an entity.

In a Canadian force at headquarters where the three service identity is maintained, service loyalties are bound to enter into the decisions no matter how sincere the intentions to the contrary. At the command level the same situation would persist. The question of developing and pointing loyalties in the right direction is the crux of the argument in favour of unifying the services. To best meet the needs of the country a serviceman's loyalties should be first to his country and to the Canadian forces as a total, then to his discipline or environment, for example, navy operations, and then to his unit. To continue to foster other loyalties will result in less than optimum effectiveness. A gradual change in prime loyalties is required, particularly as future operational equipment will cut across the traditional roles of the three services, thus creating possible conflicts between loyalty to a particular service and loyalty to the total defence effort.

I would now like to proceed to explaining how we in the Department of National Defence are planning the government policy outlined in the White Paper.

The CHAIRMAN: Is this a suitable time for a five minute break? We will take a five minute break and then come to order after that time.

After Recess—

The CHAIRMAN: Gentlemen, before we continue with the briefing, number of members have asked me about copies of this brief. Copies are being run off now, and they will be available for us some time this afternoon, in time for the meeting this evening.

Mr. LANIEL: The only thing wrong with this, Mr. Chairman, is that it would have been quite useful to mark and to make notes on.

The CHAIRMAN: I understand that, but this was done at fairly short notice.

Mr. WINCH: Would you also tell us, Mr. Chairman, while we are here, at what time you contemplate the adjournment?

The CHAIRMAN: Well, I do not know whether you are up to schedule now, but could you get through by sometime shortly after 12.30?

Air Marshal SHARP: Yes, I could.

The CHAIRMAN: Would you carry on please.

Air Marshal SHARP: Yes, Mr. Chairman. I would now like to explain how we, in the Department of National Defence, are planning the implementation of the Government policy outlined in the White Paper.

The White Paper defines three significant and major policies:

Serial Number 11

**GOVERNMENT
POLICIES ON DEFENCE
AS DEFINED IN THE WHITE PAPER**

- 1. INTEGRATION LEADING TO UNIFICATION**
- 2. MODERNIZATION**
- 3. CHANGE IN EMPHASIS ON ROLES.**

Unification of the services; modernization of our management methods and procedures; and a changing emphasis in roles with greater priority to be placed on the ability to quickly contribute military forces to trouble spots throughout the world, and relatively lesser on military resources designed solely for participation in all-out nuclear war. This is not a complete switch from one role to the other, as we will continue to maintain deterrent forces against all-out war, such as air defence and anti-submarine forces. Rather, a change in emphasis is required to ensure that Canada will be capable of helping prevent a minor conflict from escalating into all-out nuclear war. It can thus be seen that the current reorganization is accomplishing three major changes, all of which will lead to increased operational effectiveness. When one considers the size and diversity of activities of Canada's forces, any one of these three policy statements generates a monumental reorganizational task; to complete all three together will be a major accomplishment. Creating these new and modern military concepts, doctrines, procedures and organization by adopting the must up-to-date management methods and advances in science is a once in a lifetime opportunity. It is confronting Canada's servicemen with an exciting challenge to tax their skills, their initiative and innovative capabilities. In fact, one of the major benefits of the Government's policy is that it demonstrates a willingness to change and, therefore, reception to innovation—a necessary ingredient to success in this rapidly changing world. I have full and enthusiastic confidence in the ability of our servicemen to complete this complicated job.

Because this is a very complex job, very thorough and careful planning is required. The Department has, on the one hand, been accused of acting too quickly—that is, not doing sufficient planning—and, on the other hand, accused of not deciding sooner the details of what is involved in unification. Since planning takes time and since the details cannot be decided and divulged until the planning has been completed, it is obvious that the Department cannot satisfy both of these criticisms. To take time for adequate planning means that there will be some delay before the details of unification can be announced. To quickly announce the details implies inadequate planning. However, to postpone the decision to unify until all details have been worked out is contrary to common sense. It is tantamount to saying that the decision to build the Trans-Canada Highway should not have been made until all the details of construction had been completed.

Accomplishing these three aims involves about 500 different programs, sub-programs and steps, most of them complex and involved. They are interlocking and progress in one program affects progress in several others.

CANADIAN FORCES UNIFICATION

CRITICAL PATHS

REPORT DATE 01 OCT 66

EVENT BEGIN END	ACTIVITY DESCRIPTION	STAFF	ACTIVITY COMPLETION DATES			SLACK	EXPCD TIME	B - A
			EXPECTED	LATEST	ACTUAL SCHEDULE			
0001 0210	Issue Personnel Philosophy TOCP	CDS		29 AUG 66	07 SEP 66	-1.3		
0210 0216	Approve Concept of Officer Structure	MND		27 SEP 66	06 OCT 66	-1.3		
0216 0236	Complete Officer Classification	DPRC	05 APR 68	27 Mar 68		-1.3	71.9	11.0
0236 0274	Rewrite Establishments	DMRE	11 APR 69	02 APR 69		-1.3	52.8	5.0
0274 0324	Establish Officer Control System	DGPC	01 DEC 69	01 OCT 69	01 OCT 69	-1.3	33.3	4.0
0001 0002	Approve Uniform Design	MND		06 AUG 66	11 AUG 66	- .2		
0002 0010	Issue Development Guidelines	CDS		24 SEP 66	29 SEP 66	- .2		
0010 0014	Design Uniform Prototype	DCGE	26 APR 67	21 APR 67		- .2	29.9	17.0
0014 0028	Conduct Design Trials	DCGE	24 JAN 68	19 JAN 68		- .2	39.0	10.0
0028 0038	Raise Uniform CD	PROC	30 MAY 68	25 MAY 68		- .2	18.0	2.0
0038 0052	Issue Uniforms	MATE	07 JAN 71	02 JAN 71	02 JAN 71	- .2	31.7	15.0
0001 1004	Complete Separate Log Studies	SUPP		01 JUN 66	01 JUN 66	.0		
1004 1009	Define Integrated Supply Problem	SUPP		01 JUN 66	01 JUN 66	.0		
1009 1014	Approve New Concept	TB		10 AUG 66	10 AUG 66	.0		
1014 1026	Write Implementation Plan	SUPP	03 MAR 67	03 MAR 67		.0	29.3	2.0
1026 1038	Approve New System	MND	21 APR 67	21 APR 67		.0	7.0	4.0
1038 1050	Contract Computer	DDP	08 SEP 67	08 SEP 67		.0	20.0	10.0
1050 1068	Deliver & Install Computer	DDP	26 OCT 68	26 OCT 68		.0	6.9	3.0
1068 1080	Prove New System	MATC	01 FEB 69	01 FEB 69	01 FEB 69	.0	14.0	4.0

This pert chart shows the interconnection of some of them. There is an obvious need for overall control to coordinate and to monitor progress. So, we have identified the many programs—some of which are shown on this chart—determined the connection between them, set time limits and intermediate aims, and allocated responsibility for them. We have found the total process so involved that it is necessary to use a computer to keep track of it. From the computer print-outs we can quickly tell when programs are behind schedule and the effect that this will have on other programs. We thus know where to concentrate efforts to keep the program on time. As an example of how the computer helps us manage the programs, let me describe some of the computer print-outs available to us on demand.

This first print-out identifies for us the critical paths on the pert chart, so that we know where to concentrate our efforts. The critical paths, of course, change as work is accomplished. The first two columns merely identify the activity number from the pert chart. The next column describes the nature of the activity; the next column, the staff responsible; the next column gives our estimated time of completion and then the latest date allowable if we are to complete our total program on time; the next column, the actual completion date; the next column shows how far we are ahead (plus) or behind (minus) in weeks; the next shows the expected time from start to completion in weeks, and the final column the spread between the most optimistic and the most pessimistic estimates. On this chart we have three horizontal groups of figures; these identify the paths in order of criticality.

February 7, 1967

NATIONAL DEFENCE

473

CANADIAN FORCES UNIFICATION

ACTIVITIES IN LATEST ALLOWABLE DATE SEQUENCE

EVENT BEGIN END	ACTIVITY DESCRIPTION	STAFF	ACTIVITY COMPLETION DATES			SLACK	EXPCTD B-A TIME
			EXPECTED	LATEST	ACTUAL SCHEDULE		
0001 1004	Complete Separate Log Studies	SUPP		01 JUN 66	01 JUN 66		
1004 1009	Define Integrated Supply Problem	SUPP		01 JUN 66	01 JUN 66		
0001 0002	Approve Uniform Design	MND		06 AUG 66	11 AUG 66		
1009 1014	Approve New Supply Concept	TB		10 AUG 66	10 AUG 66		
0001 0210	Issue Personnel Philosophy TOCP	CDS		29 AUG 66	07 SEP 66		
0002 0010	Issue Development Guidelines	CDS		24 SEP 66	29 SEP 66		
0210 0216	Approve Concept of Officer Structure	MND		27 SEP 66	06 OCT 66		
1014 1025	Write Implementation Plan	SUPP	05 FEB 67	05 FEB 67			
0010 0014	Design Uniform Prototype	DCGE	07 FEB 67	07 FEB 67			
1025 1038	Approve New System	MND	21 APR 67	21 APR 67			
1038 1050	Contract Computer	DUP	08 SEP 67	08 SEP 67			
0014 0020	Conduct Design Trials	DCGE	24 JAN 68	19 JAN 68			
0210 0236	Complete Officer Classifications	DPRC	05 APR 68	27 MAR 68			
0036 0036	Raise Uniform CD	PRCC	30 MAY 68	25 MAY 68			

Another example of a print-out takes all the activities and lists them chronologically in the order in which they must occur, so that at any time you can go to today's date and see what should have been completed, and the responsible staff can be identified.

CANADIAN FORCES UNIFICATION STAFF ACTIVITIES IN LATEST ALLOWABLE DATE SEQUENCE

EVENT BEGIN END	STAFF	ACTIVITY DESCRIPTION	TIME ESTIMATES			EXPCD TIME	ACTIVITY COMPLETION DATES			SLACK
			A	M	B		EXPECTED	LATEST	ACTUAL	
0070 0072	VCDS	Approve Planning Guidance	6.0	6.5	7.0	6.5	05 JAN 67	05 JAN 67		.0
0072 0074	VCDS	Approve Force Structure	5.0	4.0	5.0	4.0	02 FEB 67	02 FEB 67		.0
0074 0082	VCDS	Approve Up-dated IDP	2.0	2.0	2.0	2.0	16 FEB 67	16 FEB 67		.0

The next example identifies for each staff the activities for which they are responsible and lists them in the order by which they must occur. The columns A, M, and B merely indicate the most optimistic, the most likely, and the most pessimistic timing.

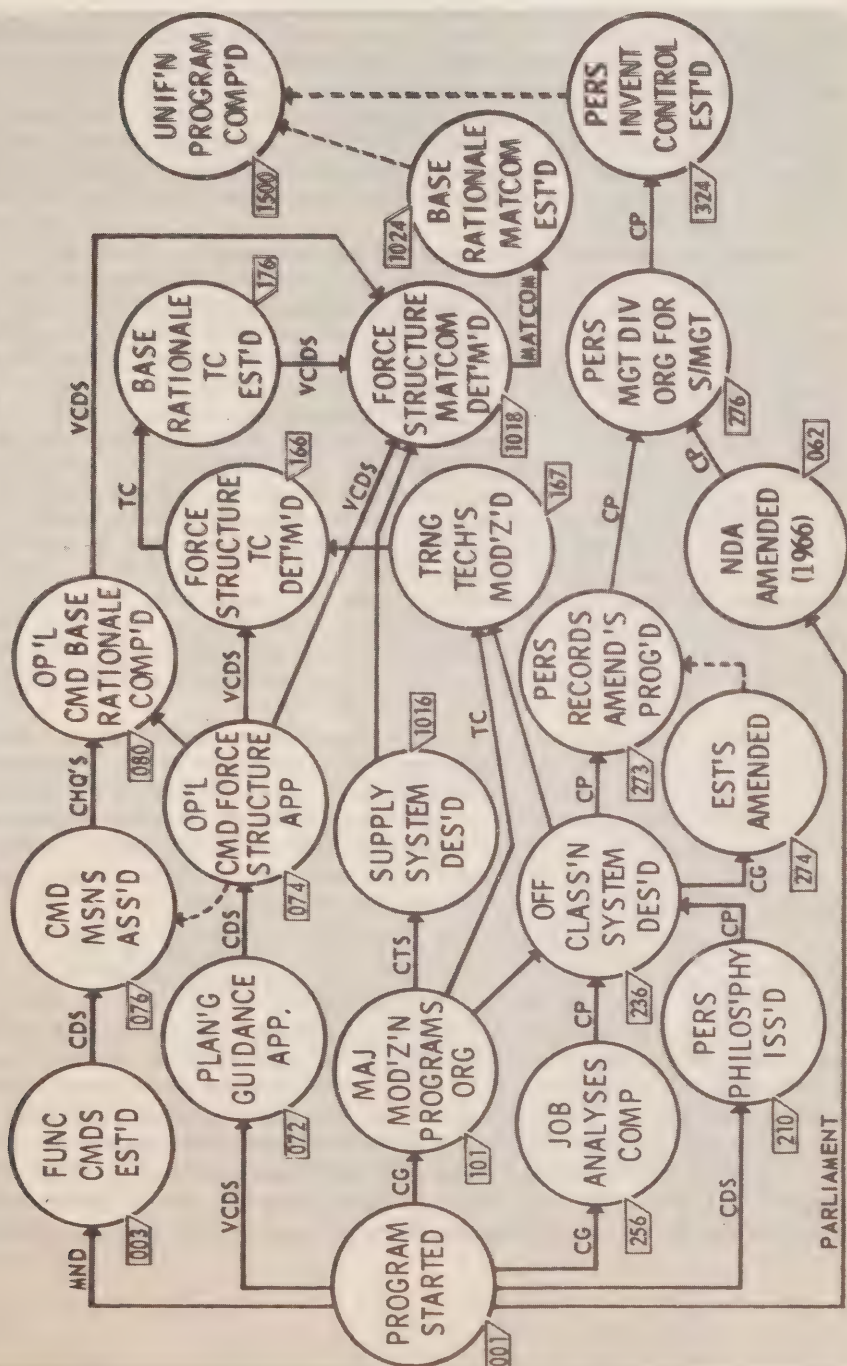
SUMMARY EVENTS IN SLACK SEQUENCE
MANAGEMENT LEVEL B

EVENT NUMBER	NTWK PAGE	EVENT DESCRIPTION	EVENT COMPLETION DATES			SCHEDULE SLACK
			EXPECTED	LATEST	ACTUAL	
0324	1	Officer Inventory Control System Established	01 DEC 69	01 OCT 69	01 OCT 69	-8.7
0062	1	National Defence Act Amended	01 MAR 67	01 FEB 67		-4.0
1080	1	New Supply System Proven	01 FEB 69	01 FEB 69	01 FEB 69	.0

As a final example, this print-out identifies events which are of sufficient importance to draw to the attention of senior management—for example, the amendment to the National Defence Act. Now, these are but a small part of the total, and this book, which is an example just to show you the complexity of it, contains the total print-outs that we get.

Now, I included these examples of the computer print-outs to enable me to establish two points. Firstly, that the planning for integration and, ultimately, unification is being done very thoroughly and, secondly, to dispel any thought that the use of computers is impersonal or leads to any disregard of the human aspects of integration and unification. As you can see from these example print-outs, they are merely a method of management control; as such, the computer does not lead to neglect of the personal problems of our servicemen. If anything, it helps consideration of them because the planning can be done on an orderly basis. Orderly planning will help us avoid mistakes which would be inherent in a haphazard system. It thus helps ensure that all factors, including the factors affecting our servicemen, are given proper consideration.

Unification PERT Program



Now, let me explain some of the programs using the pert chart. I will come to a larger one in a few minutes Mr. Chairman. This chart, as I mentioned earlier, portrays some of the many programs leading towards unification. Each circle represents an event or decision point in the total program and each arrow or line represents an activity for which a chart as complicated, or more complicated, than this is generated. In fact, some are so complicated that they have their own computer programs. The programs that are under way involve staffs in all branches and commands and at most bases. Some programs are large and complicated, involving several consultants as well as service experts; others are relatively simple. The green lines indicate the activities which have been completed, the blue lines the activities currently being worked on and the red line is the current critical path.

Before I proceed to explain some of these programs on the simplified version of the pert chart, perhaps I should make the point that implementation does not go beyond the stage authorized by the present National Defence Act. In other words, we are planning for unification because it is announced government intention to go towards unification. We are not implementing beyond integration because the enabling legislation has not been passed. Let me show you this on the simplified pert chart. As I explained a few minutes ago, unification concerns personnel management. Here are the planning steps for developing a single, unified personnel management system. Here is the step in the process which says that the amendment to the National Defence Act is required, and here is the consequential step which results in the reorganization of the personnel branch. Until this is completed, we will not have single management of personnel and the succeeding and some preceding steps will have to follow the three paths, instead of one, as shown on the chart. I want to emphasize this point to impress on you that we in the department do not proceed and, as far as I know, never have proceeded, beyond government policy. We would, on the other hand, be extremely remiss in our duties if we did not plan for an eventuality or an intention that is outlined in the government White Paper.

In addition, if the policy to proceed to unification is reversed or delayed, the planning for other programs will need to be reconsidered; for example, single uniforms and ranks, and the amendments to Queen's regulations. We have not put these into effect, but we have done a considerable amount of planning. We have now reached the point in the total process where we need to proceed with unification if the benefits of it are to be realized. To delay unification merely postpones the day when we would realize those benefits.

Obviously I do not propose to go through the details of each one of these programs. Some of them could be explained to you by officers who can speak to you within the next few days if you wish. I do, however, want to identify some of the programs so that you can get a feel for the total unification process, the immense complexity of it and the very careful planning that is going into it. The figures at the bottom or sides of the circles identify the event number. The organization responsible is also identified. The chart begins in July, 1966—that is the circle on the left. By that time the following major actions had been accomplished. The National Defence Act had been amended in 1964, creating a single Chief of the Defence Staff; a single Canadian Forces Headquarters had replaced the three service headquarters; a functional command structure had

been developed and is being put into effect and, in addition, a start had been made on many of the programs shown on the chart.

Although there are many programs and sub-programs, made up of some 500 activities leading towards integration and unification underway, four groups of them are key and pacing programs.

The first is the development of the functional command organization and the assignment of missions to each of these commands. As I indicated a moment ago, this is nearing completion although some refinements will be required. The next pacing program is the development of the force structure for each operational command; that is, what kind of equipment and how much does each command need to carry out its assigned mission and, from this, what is the optimum base configuration; how many bases and which ones? After this is determined for the operational commands, the support commands can work out their force structures.

The third pacing program consists of the major modernization steps—the computerized logistics system for Material Command; the automated switched network for the Canadian forces communications system; and a modernization of instructional techniques in training command, are examples. The fourth pacing program is the personnel management program which I described briefly and which the chief of personnel can describe in more detail. This is shown starting with the two bottom circles. These programs are pacing because most of the others can proceed only as decisions are made concerning the pacing programs. In addition, the four pacing programs are, to a certain extent, sequential one to the other in the order I named them. For example, the trades specifications part of the personnel program cannot be completed until Materiel Command has defined its modernization program. Materiel Command cannot complete its modernization program until it knows the force structure of the other commands. Most of the 500 activities are similarly interconnected and it is important that we be aware of the interconnections to ensure that all programs progress in harmony.

I would now like to describe, in some detail, three programs to demonstrate their complexity and that very careful, expert planning is going into them. The first program I will describe is the Canadian forces supply system. In line with the White Paper on defence in 1964, and the government's intention that the responsibility for all federal purchasing be vested in the Department of Defence Production—with supply distribution through an agency of the Department of Defence Production for civilian departments, and through an integrated supply system for the Canadian forces—a study group was formed in the Department of National Defence to determine the best method of approach. Its aim was to design a single standardized system of supply to replace the several supply systems currently in existence in the forces. In the meantime, the three separate service supply systems are functioning adequately. There is no truth to the suggestion that the services are not being adequately supplied pending the introduction of the new system. The system to be designed will increase the effectiveness of the supply system and increase the economy of its operation. The latter will be attained through standardized procedures and optimum use of automatic data processing equipment. The concept is based on the following criteria:

CRITERIA FOR THE CANADIAN FORCES SUPPLY SYSTEM

1. A NATIONAL CENTRAL INVENTORY CONTROL.
2. WHOLESALE DISTRIBUTION THROUGH A SYSTEM OF FOUR TO SIX COMPOSITE DEPOT COMPLEXES.
3. RETAIL DISTRIBUTION TO ALL USERS FROM BASE LEVEL.
4. COMPATIBLE WITH THE NEEDS OF THE DND MANAGEMENT INFORMATION SYSTEM.

A national central inventory control; wholesale distribution through a system of four to six composite depot complexes; and retail distribution to all users from base level. In addition, the system must be capable of catering to the needs of the Department of National Defence management information system, which is another major program.

A total of 47 people representing Canadian Forces Headquarters, Materiel Command, the Department of Defence Production and a consultant firm are working on the program at present. Of this number 32 are military and 15, including 3 from the consultant firm, are civilians. The program has been organized into four phases for ease of control. They are not time phases, as they will

PHASES IN THE CANADIAN FORCES SUPPLY SYSTEM STUDY

1. STUDY AND APPROVAL PHASE.
2. SYSTEM DETAIL AND PROGRAMMING PHASE.
3. PERSONNEL AND TRAINING PHASE.
4. EQUIPMENT AND IMPLEMENTATION PHASE.

progress concurrently, to a certain extent. The first phase is a study and approval phase. This phase began in October, 1965, and includes such things as the assembly of the analysts and their orientation, the definition of the problem, and analysis and design of the system. It ends with the Treasury Board approval of specific data processing configurations and computer building plans.

Problem analysis forms part of this phase and consists of the determination of report requirements for each level of supply; a procedural study to determine the factors at each level which impose a demand or limitation on systems and procedures, and collection of statistics to determine workload patterns. It also includes the design of the system; a plan for the reorganization at all levels of the supply system; and an accommodation plan, based on the new organization, outlining total accommodation needs and changes to the existing plant. It includes a personnel plan outlining the quantitative and qualitative personnel needs for the system; a training plan to provide analysts, programmers and supply installation personnel; and an implementation plan which describes action required to prepare installations and users for conversion. This Phase 1 ends with the approval of the contract for the specific automatic data processing system and the approval of building plans.

Very briefly the other phases are: the system detail and programming phase—the program must cater for all decisions possible in the routine operation of the system; the personnel and training phase, which includes the standards, selection and assembly of qualified personnel; the equipment and implementation phase, which includes the activities required to obtain the automatic data processing equipment and the approach to conversion of existing installations to ensure an orderly turnover.

Another example of a current program is the pilot study on financial management, which I mentioned briefly before. The objectives of the project are to survey in depth financial management practices in Air Transport Command; to develop proposals for the implementation of management concepts approved for the public service, and to guide the implementation of these concepts as a pilot project preliminary to implementation throughout the Command. The bases for the Air Transport Command study are the financial management policies developed by the Treasury Board for application in the government.

FINANCIAL MANAGEMENT

PILOT STUDY

TERMS OF REFERENCE

1. THE DEFINITION OF THE ACTIVITIES OF TRANSPORT COMMAND.
2. THE DELEGATION OF AUTHORITY.
3. FINANCIAL MANAGEMENT.
4. ORGANIZATION FOR FINANCIAL MANAGEMENT.

The terms of reference for the study include the definition of activities of Transport Command. This includes the analysis of the functions, operations and organization of Air Transport Command; the definition of the activities of the Command in accordance with the principles outlined by the Treasury Board, and to identify the responsibility centres.

With respect to the delegation of authority, the study will include a review of the present delegation of authority for decision making on financial, manpower and procurement matters; an analysis of the adequacy of present limits of delegation, and the preparation of proposals for improved delegation.

In the area of planning of expenditures and revenues the study will assess the adequacy of present methods for detailed annual planning, with particular reference to the conversion of those plans into financial terms. It will also review methods used to prepare and process annual estimates from their inception to final government approval and will develop a command estimates preparation and review process as an element of the new financial management concept. Finally, measurements used in preparing and reviewing financial plans will be studied and recommendations will be made to improve standards.

Finally, we have the organization for financial management. This project includes a review of the present organization for financial recommendations within the command and will make recommendations for an improved structure showing position descriptions and the total number of positions involved. It is important to note that other studies now under way in the Department will have an effect on this project, so close liaison is required between this study group and those working on projects such as the integrated supply system, the integrated pay system and the study on defence programming, to avoid duplication and to promote the development of compatible systems.

A third example of a major program is the study of Department of National Defence communications. This is a comprehensive study of the future needs of the communications system which is now being conducted by a consultant. His findings will form the basis for a long overdue program to reconfigure and re-equip the system in a way best calculated to meet the forces' growing requirement for improved communications. Included in the consultant's team are expert communications traffic analysts, systems engineers and engineers knowledgeable in every facet of communications technology applicable to the military. In addition, members of the armed forces are attached to the consultant to ensure that a valid and comprehensive forecast of requirements is obtained prior to detailed analysis and formulation of proposals. The study is to provide a comprehensive phased plan for the consolidation, augmentation, improvement and automation of the communications required to provide command, control, support and strategic direction of the Canadian forces which will meet specified standards of operational readiness, grade and scale of service, reliability and survivability. It must take into consideration and provide for all current and foreseeable requirements of the Department, including those provided by the existing systems such as the Naval Shore Communications System, the Canadian Army Signal System teleprinter relay network, the RCAF main communications relay network and the government emergency communication system operated by the Canadian army. These are but 4 of some 20 systems that now exist that must be analysed and combined.

In addition the following also will be included in the study and provided for in the plan: communications facilities to the new National Defence Headquarters accommodation in Ottawa; automation of terminal message collection, processing, transmission, distribution and delivery within headquarters; facilities for teleprinting conversations at conferences between staff officials without adversely affecting other communication systems. When completed, the result will produce a plan which will outline recommended network configurations and will include such things as locations and accommodation for relays and switching centres, tributary stations, subscriber identification lists, recommended media and facilities and transmission rates and mode for each. The plan will also include manpower estimates for systems operation and maintenance, as well as organizational recommendations for effective management and control of the systems.

These are three of the many programs that are now underway. I described them in some detail to demonstrate their complexity and the thorough planning being applied.

I wish to make one general comment concerning the program I have outlined to you. As you know, many of these affect the conditions of service of our servicemen. It is, therefore, important that they be given an opportunity to contribute as the programs evolve and develop. Let me give you some examples of the consultation that has taken place. In determining the trade specifications and trade structure, some 6,000 personnel at 21 different bases were involved in the revision of the trade specifications and structure. All aspects of the existing and new trade specifications were discussed. The time period involved was January, 1965, to October, 1966.

In the pay procedures study, some 5,500 servicemen at 14 different locations were interviewed during the study, which lasted from February, 1966, to mid-August, 1966. The full range of subjects dealing with pay and allowances, service conditions, remuneration in general and re-engagement bonuses were discussed. In addition, in the pay structure study, six or seven warrant officers from the three services were brought in to take part in the study as full-time members and to inject the views of servicemen.

Two studies were conducted on service conditions. The Mobile Command Milroy study interviewed some 630 personnel at all rank levels on 9 mobile command units. The study was conducted in the months of April and May, 1966, and covered the following subjects: pay and allowances; other allowances; job satisfaction; single personnel problems; integration and service benefits in general.

The MacFadden study in Training Command was conducted between February, 1966, and June, 1966. Information was submitted from 9 training command bases as well as from Training Command Headquarters. In addition, some 1,200 servicemen of all ranks were interviewed formally and others were interviewed at their place of work. Subjects covered were: the entire range of pay and allowances; promotion policies; rank structure; job security; retirement policies and pensions; release policies; career management—the entire range of subjects of service conditions and service dress. Wing Commander MacFadden is now in the directorate of Canadian Forces Headquarters responsible for service conditions and he can thus inject into the decisions the result of his and other studies.

When considering rank badges, as another example, over 200 NCO's and warrant officer equivalents gave their opinion on the proposed rank badges. There was better than 90 per cent agreement on the proposals, and it might be pertinent to note that no pressure was exerted on these personnel.

In addition to these examples, the Minister's two manpower studies interviewed hundreds of personnel. Also, most of the senior officers have talked to and held discussions with personnel at many bases. For example, I have talked to servicemen—officers and men—at 16 bases. After each talk there has been a good discussion period and each comment was recorded and fed into the appropriate responsible staff. The feelings and expert knowledge of our servicemen are being solicited and considered and we will continue to do this as other programs evolve.

All of this is in addition to what the commanders of commands do and take into consideration in their comments at Armed Forces Council Meetings. I hope you can see from these examples that the views of our servicemen are being sought and considered; their views are valuable and we use them.

I would like to say a very few words about the reserves and cadets. General Dare, the Deputy Chief of Reserves, can be made available to give you a complete briefing if you wish. We believe that we require regular forces in being that can be made available on short notice. We recognize, however, that under some circumstances we might need additional forces and have the time to give them some training, and this is where our reserves fit in. In this respect they will fill an essential and meaningful role in the context of the total defence picture. We are now in the process of reorganizing the reserves—and by “we” I mean General Dare and his staff of regular force officers and the appropriate members of the reserves and defence associations. In essence, the reserve posture will fit in as an extension of the regular force. They will have meaningful roles and be appropriately equipped. This new organization is now being explained to the reserves and I am sure, if you have spoken recently—within the last few weeks—to members of the reserves, the great majority will have voiced their satisfaction and conviction that this is a great improvement.

The cadet organization will not be greatly changed at the unit level. We plan to continue emphasizing good citizenship and leadership training and, at the same time, familiarizing them with the environment—that is, the navy, army or air—of their choice. This training will, of course, take place in a military environment.

Mr. Chairman and gentlemen, in the short time which has been made available to me I have tried to give you a general impression of the magnitude of the reorganization that the Canadian Forces are now going through. We are giving ourselves a thorough overhaul to make us much more flexible and effective operationally and to bring us up to date in every respect. I doubt if any other large organization in Canada has ever undertaken a house cleaning of anything like this magnitude. I am sure you appreciate, too, that our present plans are not set in concrete and can be modified as we progress. I hope, also, you appreciate the very thorough planning that is going into these programs and that implementation of them will probably not be completed before 1972.

To describe all of them to you in detail would take several weeks of briefings. I have attempted merely to give you an overall picture. If you have questions of detail, the appropriate staffs can be made available.

The one point I would like to make is that we are trying, within reasonable budget limitations, to create a military force which can keep up with the many significant advances that are taking place in science; a force which will be useful in terms of future political crises that may develop throughout the world. The fact that we are making these very substantial changes should not be construed as a criticism of the methods adopted by previous leaders in the Department or a lack of appreciation of past achievements. The old organizations and methods were appropriate in their day but circumstances are changing rapidly. History is full of examples of organizations which were once successful but which, because they hung on to the past methods and failed to adjust, eventually became less effective and withered away. We do not wish this to happen to Canada's armed services and so we must change. We are, in other words, trying to create a force for the future; one which can cope with future scientific advances and world situations and one in which the future generations of servicemen can find satisfaction and a challenging career.

Mr. Chairman, I did not take quite as long as I thought I would. Thank you.

The CHAIRMAN: Gentlemen, I have a note from the Clerk to say that we should have a motion to include the charts in today's proceedings, so could I have such a motion?

Mr. MACALUSO: I move that the charts be included in today's proceedings.

Mr. FANE: I second the motion.

The CHAIRMAN: All in favour? Contrary minded?

Motion agreed to.

Mr. CHATTERTON: To what extent will this delay the publication of the minutes? We have found in other cases that was the cause of a very long delay.

The CHAIRMAN: Mr. Chatterton, we are going to try to get out the minutes of the briefing so far by this afternoon. We hope to have Air Marshal Sharp's brief in your hands before you come to the meeting tonight.

Mr. MACALUSO: Mr. Chairman, I have a question on what procedure you are going to use as far as questioning is concerned. I presume you are going to start questioning the Minister and the Air Marshal at 8 o'clock this evening.

The CHAIRMAN: Yes, we are.

Mr. MACALUSO: I am wondering what procedure you are going to use as far as questioning is concerned. Do you have a time limit in mind, so that every member has the same opportunity? My experience on some of the committees has shown that questioning can go on by one individual for from 20 minutes to an hour, and on a topic as important and complex as this, every member will have questions. We usually find that two or three members take up the whole afternoon or evening sitting, while the others are sitting there waiting their turn. The Transport Committee evolved a system, approved by all the members of the Committee, whereby 10 minutes were allowed for each individual member to speak and then, if he was not finished with his questioning, he would come along in rotation again after other members were allowed to question. I think this was a fair method which allowed all members an opportunity to ask their questions. I ask whether you are going to follow this procedure?

The CHAIRMAN: We have not found it necessary so far in this Committee, but I am open to suggestions.

Mr. MACALUSO: Mr. Chairman, if I might, I would recommend—

Mr. SMITH: Let us deal with the problem when it arises.

Mr. MACALUSO: I am speaking on it just now, Mr. Chairman. I would recommend that we discuss it now before the questioning begins, because once you start it is difficult to deal with it at that time. If a motion is necessary in order to create a discussion now before questioning begins, I will move that questioning by each individual member be restricted to 10 minutes and if he wishes to question again when his turn comes up in rotation, he can do so. I so move, Mr. Chairman, in order to get this discussion on the floor, if I have a seconder.

An hon. MEMBER: I second the motion.

The CHAIRMAN: Could I hear from Mr. Smith?

Mr. SMITH: It would be understandable, perhaps, for an opposition member to show a lack of confidence in the Chairman at this date, but it is quite surprising for us to see one of the government members showing lack of confidence. As Chairman of this Committee, so far as the actual hearings have gone, you have always handled them reasonably and given us a fair run. There have to be some limitations but you cannot put a too arbitrary limit on questions, because if a person is asking a sequence of questions it makes nonsense of them if he has to break off.

Mr. MACALUSO: Mr. Chairman, if I might, it is not a matter of confidence, it is perhaps a lack of confidence in other members of the Committee, not in the Chair.

The CHAIRMAN: You have not been around to see them so far.

An hon. MEMBER: Find a new boy, Joe.

Mr. CHURCHILL: There is no evidence that the Transportation Committee was very effective.

Mr. MACALUSO: I would say, Mr. Chairman, that the Transportation Committee was very effective for that particular reason and perhaps Mr. Churchill should have attended to find out.

The CHAIRMAN: No plaudits, please.

Mr. BREWIN: Mr. Chairman, this is a regretful motion. I think we can work out a proper method of procedure. It may well be in this sort of matter that a proper examination would take much longer than ten minutes. I am sure the reasonable view is that the effect of putting this arbitrary motion may very well be to frustrate an adequate questioning on some issue of importance and cut it up into little pieces. I suggest Mr. Macaluso just wait around a bit longer in this Committee before trying to tell us how we should conduct our affairs.

Mr. LAMBERT: Mr. Macaluso suggests that a member have ten minutes to be followed by another member who could jump on to some other subject. Of course, the thing becomes nonsense when you are reading the transcript later on if it goes back and forth, and so on. It is far better to exhaust a subject or a particular field. The members have been using good sense and the Chair has too in the past. It is far better to finish discussion on a particular rather than to cut it off arbitrarily after ten minutes and another member who wants to go into another field be given the floor.

Mr. LANIEL: Mr. Chairman, I feel that if there is going to be any limitation it should be left to your discretion because there will be and there are usually supplementary questions. If you limit it to ten minutes, it is not easy for a Chairman to stop someone from asking a question after two or three supplementary questions have come from other members.

Mr. ROCK: Mr. Chairman, I have had experience in the Transport Committee and the supplementaries are usually on the same subject matter. When a member has another subject matter he usually has to wait. It is usually ten minutes on the same subject matter and the Chairman does not usually cut him off when he is in the middle of the subject matter. In other words, he is warned that his time is up so he concludes, more or less, that line of questioning and then other members continue on the same subject matter. It is not a question of changing the subject matter. I am just trying to outline to Mr. Lambert the way we proceeded in the Transport Committee.

Mr. CHURCHILL: Is this a new committee or has it been running for about four years? You are getting quite a bit of advice.

Mr. MACALUSO: Mr. Chairman, it is my advice that is given in this particular case. I would like to comment on some of the remarks that were made. Mr. Lambert—

An hon. MEMBER: Keep it under ten minutes.

Mr. MACALUSO: Mr. Lambert brought up a point—

Mr. CHURCHILL: On a point of order, this is the third time that the mover of the motion has spoken and I think it should pass around now according to the proposal which he made. I would restrict him now and let other people speak and then put the motion.

The CHAIRMAN: I will take that in the spirit in which I am sure you all mean it.

There is a motion before us. Would you like to proceed with the taking of a decision on this? Perhaps we should put it to the question.

Mr. MACALUSO: If there is no one else, I guess I am entitled to speak last on the motion which I proposed, am I not?

The CHAIRMAN: Perhaps Mr. Fane wants to say something.

Mr. FANE: May I move an amendment?

The CHAIRMAN: You most certainly may.

Mr. FANE: I would move an amendment that we leave this allocation of time in the Chairman's hands entirely and he can be the arbitrator.

The CHAIRMAN: Do you have a seconder for that motion?

Mr. FANE: I will make that a motion.

The CHAIRMAN: If you make it a motion it is out of order. It is a negative motion and out of order. Is there a seconder for Mr. Fane's motion?

Mr. BREWIN: I second the motion.

The CHAIRMAN: Would you like to speak on that?

Mr. MACALUSO: Will I have the opportunity to close this out now?

An hon. Member: Yes.

Mr. MACALUSO: Hon. members of this Committee might use some advice, from what I can see right now. The purpose of the motion was really—and answering Mr. Lambert's question—to give everybody an equal opportunity. I understand that continuous questioning has merit and that perhaps there has been no problem at past meetings, Mr. Chairman. I think hon. members here will agree that some of the questioning might go on for half an hour to an hour if you follow the principle of continuity but it could deprive other members of the opportunity to ask questions. The motion was moved to give equal opportunity to all members of the Committee. I am prepared, Mr. Chairman, to accede to Mr. Fane's recommendation and leave it in your hands just to see how long it works out. I will withdraw my motion but I will keep it in the back of my mind in case it might be required at future meetings.

The CHAIRMAN: There is no need to put this as the suggestion is to carry on with our usual procedure. Do you wish to continue with your motion?

Mr. FANE: No, I will withdraw my motion.

Mr. ROCK: Mr. Chairman, before you close, I would like to speak on a matter of personal privilege. This has to do with the minutes of the second to last meeting we had, No. 12, on June 23. On page 375, line 7, Mr. Lambert said:

It would become a strategic area.

That is when Mr. Lambert interjected and I stated as it is printed:

Mr. ROCK: Not necessarily.

Then there was an interjection:

We have strategic wives, they are trying to knock us out economically. . .

I did not say this. It was an interjection by—I do not know who—it might have been Mr. Lambert or any other member, but I just want to get the record clear. There is no way of correcting the minutes in committee meetings as there is in *Hansard* in the House of Commons. Therefore, I would like to, at least, have this on the record now.

The CHAIRMAN: You sound as though you have been reading this and leaving it lying around at home.

Mr. ROCK: This is the first opportunity I have had to correct it.

The CHAIRMAN: It is now a matter of record. It should be recorded as "an hon. member" having said it.

Mr. ROCK: You can understand, Mr. Chairman, that I am not against wives. I do not think they are ruining us economically.

The CHAIRMAN: Not right now.

Gentlemen, I suggest that we adjourn and reassemble here at 8 o'clock tonight at which time we will have the transcript of Mr. Sharp's statement.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations and/or a translation into English of the French.

Copies and complete sets are available to the public by subscription to the Queen's Printer. Cost varies according to Committees.

Translated by the General Bureau for Translation, Secretary of State.

LÉON-J. RAYMOND,
The Clerk of the House.

HOUSE OF COMMONS
First Session—Twenty-seventh Parliament
1966-67

STANDING COMMITTEE
ON
NATIONAL DEFENCE
Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 15

TUESDAY, FEBRUARY 7, 1967
WEDNESDAY, FEBRUARY 8, 1967

Respecting

Bill C-243, An Act to amend the National Defence Act and other Acts
in consequence thereof.

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; and Air Marshal
F. R. Sharp, Vice Chief of the Defence Staff, Canadian Forces Head-
quarters.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Andras,	Mr. Foy,	Mr. Matte,
Mr. Brewin,	Mr. Harkness,	Mr. McIntosh,
Mr. Brown,	Mr. Langlois	Mr. McNulty,
Mr. Churchill,	(Chicoutimi),	Mr. Nugent,
Mr. Deachman,	Mr. Laniel,	Mr. Rock,
Mr. Ethier,	Mr. Latulippe,	Mr. Smith,
Mr. Fane,	Mr. Lessard,	Mr. Winch—(24).
Mr. Forrestall,	Mr. Macaluso,	

Hugh R. Stewart,
Clerk of the Committee.

¹ Replaced Mr. Grills on February 8, 1967.

ORDER OF REFERENCE

HOUSE OF COMMONS

WEDNESDAY, February 8, 1967.

Ordered,—That the names of Messrs. Nugent, Rochon and Loïselle be substituted for those of Messrs. Grills, Matte, and Brown on the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,

The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

TUESDAY, February 7, 1967.

(21)

The Standing Committee on National Defence met at 8:05 p.m. this day with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Andras, Brewin, Churchill, Deachman, Éthier, Fane, Forrestall, Foy, Groos, Harkness, Lambert, Langlois (*Chicoutimi*) Laniel, Lessard, Macaluso, Matte, McIntosh, McNulty, Rock, Smith, Winch—(22)

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Air Marshal F. R. Sharp, Vice Chief of the Defence Staff.

Mr. HELLYER and Air Marshal Sharp were questioned on the contents of the statement delivered by Air Marshal Sharp during the morning sitting (*see Minutes of Proceedings and Evidence No. 14*), and on other related matters.

The Chairman confirmed that representatives of the Tri-Service Identities Organization would be appearing on Friday, February 10, 1967, at 9:30 a.m.

With the questioning continuing, at 10:10 p.m. the Committee adjourned until Wednesday, February 8, 1967 at 3:30 p.m.

WEDNESDAY, February 8, 1967.

(22)

The Standing Committee on National Defence met at 3.40 p.m. this day. The Chairman, Mr. David Groos, presided.

Members present: Messrs. Andras, Brewin, Brown, Churchill, Deachman, Éthier, Fane, Forrestall, Foy, Groos, Langlois (*Chicoutimi*), Laniel, Lessard, Macaluso, Matte, McIntosh, McNulty, Rock, Smith and Winch (20)

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Air Marshal F. R. Sharp, Vice Chief Defence Staff.

Members continued to question the Minister and the Vice Chief Defence Staff on the implications of Bill C-243, Air Marshal Sharp's statement as delivered on Tuesday morning, February 7th, and on other related defence matters.

The Chairman announced that it was planned to have the Chief of Personnel and the Deputy Chief Reserves appear as witnesses at the next meeting.

The meeting was adjourned at 6:05 p.m. until Thursday, February 9, 1967, at 10:00 a.m.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

TUESDAY, February 7, 1967.

The CHAIRMAN: Gentlemen, we have a quorum.

When we adjourned we had finished hearing the evidence of the Air Marshal, so I think we shall carry on with the questioning. Mr. McIntosh.

Mr. McINTOSH: Mr. Chairman, I did wish to ask the Minister—and I refer to his speech of the 27th of June, 1963—if there is any material change in his thinking of that date. In particular, I refer to this one paragraph. I will not hold him to the whole speech. He said:

As a member of NATO we have agreed to a strategy of nuclear deterrence. As long as we remain a member of the alliance we cannot separate ourselves, morally, from general policy. We rely on the protection of the Strategic Air Command and approve of its constant flights over our territory. Additionally, we have sold the uranium for most of the free world's arsenal and would, no doubt, sell more for military purposes if our friends were interested in buying it. Any attempt to opt out of our part of the collective responsibility on moral grounds seems a hollow gesture.

Do you still contend that, Mr. Minister?

Mr. HELLYER: What was the date of that speech, Mr. McIntosh?

Mr. McINTOSH: It was the 27th of June, 1963.

Mr. HELLYER: I think the significant change in government policy since that time would be due to the developments related to the determination by people everywhere in the world to work out a non-proliferation agreement and that, therefore, it is the policy of the government to restrict all future uranium sales to countries that will accept control measures. I think outside of that the statement is a fair one. There is really no change in the policy at the time of the White Paper when the government's position was stated and what the situation is today. The change in emphasis that the Air Marshal talked about is really I think a military judgment more than anything. It is that Canada should move in the direction of making the maximum contribution. This means building the kind of force which can be applied in the widest number of circumstances to prevent minor confrontations from escalating into thermonuclear exchange. I think outside of that the statement is still valid.

Mr. McINTOSH: Well, could I take it from your answer, Mr. Minister, that you do accept the concept that any defence now of Canada must be on a continental basis?

Mr. HELLYER: No, I do not think I accept your statement exactly the way it is put. I still think that the defence of the free world is related to the political solidarity of the free nations, and then allied with that political solidarity their determination to maintain adequate forces to deter major aggression. Therefore,

although much of the deterrent force is based on this continent, some of it is not. Some of it is based in Europe. If you mean, on the other hand, that the continent—

Mr. McINTOSH: You mean an alliance policy, or collective defence.

Mr. HELLYER: Yes. There is no change in our attitude towards collective defence.

Mr. McINTOSH: It would be financially impossible for Canada to defend herself on a continental basis with the present weapons, and so on?

Mr. HELLYER: You mean on a national basis.

Mr. McINTOSH: Well, you cannot defend the Canadian borders against the present type of weapon that could be used against us.

Mr. HELLYER: It is both economically and physically impossible.

Mr. McINTOSH: Yes, that is right. I did not get the Air Marshal's document until I came back into the house but I took a glance through it and I would like to ask Air Marshal Sharp if he made a statement somewhere here, and I have noted "near the D.N.D. expenditures"—I do not know just what that was, but I think your statement was something to the effect that there were only two courses open in regard to the decision for the new defence policy. One was either to increase the budget or decrease the effectiveness, except going into unification, as you call it. Did you say, "only two courses"? And I believe I heard you say that on television this evening that the only course open to us was to go into unification. The reason I ask you that question, sir, is that I suggest this is a false premise—that there are more than two courses. One that I can point out at the present time is, without increasing the budget and without decreasing the effectiveness, more money for operational equipment and a reduction in personnel. This is a plan that France followed and it is working very effectively. I say that if the Minister's defence policy is based on the statement that there were only two courses open to him, then I say, his whole policy is based on a false premise.

Air Marshal SHARP: I started my sentence by saying that assuming one wished to maintain modern military forces, then there were only two courses. I would agree with you completely that one needs to get the right balance between the amount of money which you spend on equipment on the one hand and pay for personnel on the other hand. Obviously, if you spent all of your money on equipment, you could not man it. You would not have the people to man it, or vice versa. So you need to get the right balance but within that balance and assuming you want a modern military force, then I believe there are only two courses open.

Mr. McINTOSH: No, but the point I am getting at is—and this maybe has to do with the danger of having a one-man advisory board to a civilian minister. He apparently has been told that there are only certain courses open to him when there were other courses that may have not been explored. France has adopted this policy, and this has been produced and I think sent out to all members:

The French government has decided to keep military expenditures at a fixed percentage of the gross national product so as not to affect the country's living standards or production growth.

And this is important.

The relative increase in capital expenses for weapons and decrease in operating expenses is the result of a sizeable reduction in military personnel. This reduction is compensated for by the fire power of the new weapons.

Could I ask you why Canada did not adopt some such course as that?

Air Marshal SHARP: Sir, I tried to explain to you that we are trying to get this optimum mix, the amount of money you spend on equipment on the one hand and the manpower on the other because of the very reasons you have just stated. We have gone down in manpower and we have gone up in effectiveness because of the new weapons that we have bought or are planning to buy. It is approximately the same as what you have just stated.

Mr. McINTOSH: I have just a couple of other short questions, Mr. Chairman. One has to do with page 9 of the Air Marshal's speech where he talked about artificial barriers. I wonder what he means by artificial barriers.

Air Marshal SHARP: I mean that under the present National Defence Act except in an emergency, one cannot transfer personnel from one service to another. Now in the case of a lot of the trades, if we are going to get full use from these new systems, we should be able to do this and the amendment to the act would permit us to do so. The barrier is no longer required and in that sense, I said it was artificial.

Mr. McINTOSH: I also did not get fully your definition of unification this morning. You said it had something to do with legislative.

Air Marshal SHARP: Yes, I said that there is a legislative difference between integration and unification in that the present National Defence Act permits integration, because it allows single management at the top with the creation of a Chief of Defence Staff position vis-à-vis the three previous positions. But it does not permit complete unification and the amendment which is before you now would do so, it permits this so in that sense the distinction between integration and unification is legislative.

Mr. McINTOSH: Would you explain the first sentence in the second paragraph on page 10, which states:

Unification, therefore, by removing the legal and now artificial barriers between the services will bring into necessary concert the complementary functional command organization and the personnel management structure.

Air Marshal SHARP: Yes; well I believe I gave you the explanation of the legal barrier a few moments ago and this barrier is now no longer required. If for example, we are going to create a one single logistic system for the three services, then people in it should be able to be employed anywhere and not keep them segregated as navy, army and air force, and in that sense I said it was artificial.

Mr. McINTOSH: Well, is that not just integration?

Air Marshal SHARP: No.

Mr. McINTOSH: Then, where is the dividing line?

Air Marshal SHARP: The dividing line—in the case of integration you must maintain three separate services, even though they are headless, because the present act does not permit you to unify into a single service. In the case of unification, which will be permitted by the amendment before you, you can create a single service and one does not need to maintain the three separate services.

Mr. McINTOSH: I thought you said they are not going to change.

Air Marshal SHARP: I do not think I said they are not going to change.

Mr. SMITH: What formation of a combat unit do you visualize; for example, how will the foot soldiers be organized. Into what unit will they be organized?

Air Marshal SHARP: There will be no change at the unit level of combat arms resulting from unification.

Mr. SMITH: Will it be a brigade?

Air Marshal SHARP: Yes.

Mr. SMITH: That will be the unit of organization of foot soldiers; it will be a brigade, is that right? Is that what you mean by unit?

Air Marshal SHARP: It all depends on what you mean by "unit". No, I would not call that a unit of organization.

Mr. SMITH: The formation of organization.

Air Marshal SHARP: So far as the combat arms are concerned, unification will not change the present battalion regimental brigade organization. It will not be changed as a result of unification.

Mr. SMITH: I did not suggest that it would, but I am trying to determine at what level you suggest that you would have a brigade. A brigade would be the highest infantry formation we would have, or the highest foot soldier formation. Would that be the highest?

Air Marshal SHARP: The highest army formation?

Mr. SMITH: The highest combination of forces would be a brigade?

Air Marshal SHARP: At the present time and under the present circumstances, the answer is yes.

Mr. SMITH: What do you mean by present circumstances; presently contemplated circumstances of unification?

Air Marshal SHARP: No, sir. I would not tie this to unification, because it does not have anything to do with it.

Mr. SMITH: When the services are unified, what formation of foot soldiers will you have, what units of foot soldiers will you have?

Air Marshal SHARP: We will have regiments.

Mr. SMITH: Do you speak of regiment in the American sense, or in the Canadian sense?

Air Marshal SHARP: The Canadian sense.

Mr. SMITH: As I understand it, a regiment is an organization which may consist of several battalions.

Air Marshal SHARP: That is true.

Mr. SMITH: But I am talking about the combat unit; will it be a battalion?

Air Marshal SHARP: Yes.

Mr. SMITH: And it will continue to be a battalion?

Air Marshal SHARP: Yes, and battalion groups.

Mr. SMITH: And groups of battalions which could presumably be brigades?

Air Marshal SHARP: That is true.

Mr. SMITH: With armour I suppose it will be the same, a regiment of tanks or whatever. Then when you come to the air force, what combat units will you have?

Air Marshal SHARP: The same as we have now, squadrons and wings.

Mr. SMITH: Squadrons and wings. With the navy I presume it would be a squadron?

Air Marshal SHARP: The same thing as we now have.

Mr. SMITH: And there is no contemplated change in that organization now?

Air Marshal SHARP: That is correct.

Mr. SMITH: I will pass for now.

The CHAIRMAN: Mr. Brewin, I think you are next.

Mr. BREWIN: I have questions on the two references in his paper to the White Paper on Defence. It may be that the Minister would prefer to answer them, but I will put them to you, Air Marshal. I would like to start at page 14 of this document "Planning for Unification". It says:

The White Paper defines three significant and major policies. One, unification of the service; two, modernization of our management methods and procedures; and three, a changing emphasis in roles with greater priority to be placed on the ability to quickly contribute military forces to trouble spots throughout the world and relatively lesser on military resources designed solely for participation in all-out nuclear war.

I would like to ask this question: What military resources are designed solely for participation in all-out nuclear war?

Air Marshal SHARP: Air Defence Command.

Mr. BREWIN: I see, Air Defence Command. I will go on and perhaps this indicates what you had in mind.

This is not a complete switch from one role to the other as we will continue to maintain deterrent forces against all-out war, such as air defence and anti-submarine forces. Rather, a change in emphasis is required to ensure that Canada will be capable of helping prevent a minor conflict from escalating into all-out nuclear war.

You mentioned examples, air defence and anti-submarine forces. Was it by chance, or was it deliberate, that there was an omission from that of our army brigade in Europe and our air division in Europe?

Air Marshal SHARP: No; I quoted two examples and there is no significance.

Mr. BREWIN: No significance, I see. To come to that, the air defences you are referring to are the Bomarc SAGE missile system under NORAD. Does that contribute to participate in all-out nuclear war, or as a deterrent?

Air Marshal SHARP: I believe it does, yes.

Mr. BREWIN: I presume that is against a bomber threat.

Air Marshal SHARP: Yes.

Mr. BREWIN: Is it still seriously regarded that such a bomber threat is possible or probable?

Air Marshal SHARP: Well, the bombers exist; they are operational and they are ready to go. However, the percentage of the total threat for ICBMs is increasing, but some bombers still remain. It is a matter of judgment, I suppose, whether because the percentage of the Russian forces devoted to bombers is decreasing, it is a matter of judgment whether one still maintains forces to counteract them. I believe the decision to keep forces is correct.

Mr. BREWIN: You think it contributes to a deterrent against all-out war, do you?

Air Marshal SHARP: Yes, I do.

Mr. BREWIN: Well, now, is it not a fact that the bombers—if you have an adequate detection system and I believe we have—can be seen and detected at least two hours before they would arrive at any major centres in North America?

Air Marshal SHARP: That is correct.

Mr. BREWIN: Do you think it rational to assume that with a two hour warning of that sort the USSR would use bombers when the retaliatory force would have that amount of warning?

Air Marshal SHARP: No, I do not; that is the object of having our antibomber forces, so they will not use them.

Mr. BREWIN: I talked about detection. Is there not a difference between detection and preserving antibomber forces?

Air Marshal SHARP: Yes, I would think so.

Mr. BREWIN: I was talking about detection and I was saying: Assume that you have adequate detection, for what purpose do you need the active defences. Is it credible that even without the active defences the Russians would use bombers in an all-out attack on North America?

Air Marshal SHARP: I do not know what the Russians would do, but I do believe that without protection against it, the chances of their using them are greatly increased. It gives them a free ride.

Mr. BREWIN: Do you not think that if they propose to use bombers it would be a fairly simple matter to take out these fixed Bomarc missile defences before they send the bombers through?

Air Marshal SHARP: No, I did not.

Mr. BREWIN: What do you attribute is the significance of McNamara's statement some years ago when he said that these Bomarc bases could be useful as a decoy or a target for ICBMs?

Air Marshal SHARP: I do not attribute any significance to this remark, because I do not know what he meant by that.

Mr. BREWIN: To go on to our air division; what part do you think it plays in any deterrent?

Air Marshal SHARP: I believe our air division forces, as with our air defence forces, must be viewed and judged in context of the total forces. We are contributing a part to forces of other countries, to an alliance, and as part of the total deterrent in Europe, I think they play a significant part.

Mr. BREWIN: I suppose you would say the same about our army brigade in Europe, would you?

Air Marshal SHARP: Yes.

Mr. BREWIN: Have you, as one of the leading military advisers, given any thought to the question of whether or not the brigade group or the air division still play a significant role in Europe?

Air Marshal SHARP: Yes, we have.

Mr. BREWIN: You have, and you have come to the conclusion that they do?

Air Marshal SHARP: We have come to the conclusion that at the present time they do. It does not mean that we will persist in that view.

Mr. BREWIN: The same sort of thing appears on page 2 of your brief, where you say:

It is therefore Canadian government policy, as outlined in the 1964 White Paper on defence, to not only continue to provide defensive forces that contribute to the credibility of the nuclear deterrent, but also forces which will be useful in preventing small confrontations from escalating into major war.

It is your view that all these roles we have been discussing contribute to the credibility of the nuclear deterrent. Is that right?

Air Marshal SHARP: I do not think I would put it quite that way, sir. I believe that there is a possibility that small confrontations could escalate into nuclear war. Therefore, if this possibility exists then, surely, we are contributing something if we help in preventing this escalation.

Mr. BREWIN: I could not agree with you more but what I am asking you is whether—

Air Marshal SHARP: It is in that sense that I believe these forces contribute to the prevention of all-out nuclear war.

Mr. BREWIN: You mean the brigade and the air division of the North Atlantic air defence contribute to the credibility of the nuclear deterrent?

Air Marshal SHARP: In the broadest sense, yes.

Mr. BREWIN: Just one or two other questions. On page 3 you deal with one of the advantages of unification which, as you see it, reduces overhead costs and costs devoted to non-operational functions. I am looking at page 3 at the bottom, the third clear paragraph. You discuss there and in subsequent paragraphs your whole idea that unification will permit economies which in turn will permit larger expenses on modern equipment. Have I got the idea correct?

Air Marshal SHARP: Yes.

Mr. BREWIN: You say:

Assuming that one wished to maintain modern military forces there are only two possible courses of actions—*increase the budget—*

Air Marshal SHARP: What page is that?

Mr. BREWIN: I am sorry. It is page 2 at the top and the fourth paragraph, about half way down:

Assuming that one wished to maintain modern military forces, there were only two possible courses of actions—*increase the budget, or reduce O & M costs.*

I guess O & M is what—overhead and non-operational?

Air Marshal SHARP: Operation and maintenance.

Mr. BREWIN: Operation and maintenance, of course. I suggest to you that there is another approach which apparently has not been given consideration and that is reduce some of the operational roles which at present are undertaken. That would enable you to spend more money on efficient modern equipment for the roles that you continue to perform, would it not?

Air Marshal SHARP: Yes, but you still have the same thing. If you reduce the commitments, then presumably the budget would also be reduced.

Mr. BREWIN: Precisely. What I am suggesting to you is that instead of just these two courses named here, there is a third possible one which is a matter of policy the government may choose to reject but it still is a perfectly possible approach not mentioned here, and that is to cut down the active role that the Canadian forces are seeking to perform and use the amount saved there to get better equipment for the roles that you are continuing to perform. Apart from the question of policy whether you should cut down on the roles it is a perfectly feasible approach, is it not?

Air Marshal SHARP: It is a feasible approach but I am not suggesting whether or not we should cut down commitments is wise or unwise but if commitments were cut down I believe we would still want to operate as efficiently as possible within the budget.

Mr. BREWIN: Oh, absolutely. Suppose we maintain the budget but, for example, withdraw our brigade group from Europe and withdraw our air division and integrate them into our mobile command, presumably, that would provide economies or reduce expenditures and the reduced expenditures could be used to get up to date, efficient equipment for the forces for the roles that were still accepted.

Air Marshal SHARP: That is correct.

Mr. McNULTY: Mr. Chairman, I just have a short question for the Air Vice-Marshal. On page 5, in mentioning modern operational equipment, he referred to the Sea Sparrow and the Falcon small jet transport. Just what are these craft respectively and what are their functions and capabilities?

Air Marshal SHARP: The Sea Sparrow is a short range medium altitude semi-automatic air defence system for the ships.

Mr. SMITH: When was it first under development?

Air Marshal SHARP: It is made up of several components, some of which have been in use and some parts of the total system are relatively new and they are just completing development, but a large percentage of it has been in use. The newer elements of it which make it semi-automatic are just completing development.

The small jet transport is an executive type transport which carries between six to eight passengers.

Mr. SMITH: This is the French one.

Air Marshal SHARP: Yes, this is the French one.

Mr. SMITH: In the United States it is called the Falcon.

Air Marshal SHARP: Yes, it is sold in the United States as well.

Mr. SMITH: But it is made in France.

Air Marshal SHARP: That is right.

The CHAIRMAN: Is that all, Mr. McNulty?

Mr. McNULTY: Yes.

Mr. DEACHMAN: Mr. Chairman, I would like to ask the Air Vice Marshal several questions arising out of the debates on unification. It has been said by a number of people in the course of the debates on unification at one time or another that we need a pause; that the process is going too quickly and that what we need is a pause to assess unification before taking further steps which may involve us in trouble. The questions that I want to ask you are, in the course of planning for unification and in carrying out actions based on your plans, have your actions progressed at a faster pace than planning could catch up and has it been your experience that you have had to reverse your course because of inadequate planning? Are you aware that you have had to pause in order to correct errors in planning and in your actions to the extent that you believe a pause is necessary?

Air Marshal SHARP: No, I do not believe a pause is necessary. The planning for these steps started in 1963. The program will not be completed before 1972. That is nine years. I do not think that this is too hasty, even considering that this is a major reorganization. However, this is an extremely complicated reorganization and I think it would be foolish for us to believe that our planning would be so perfect that we would not make some mistakes. Of course, we will make some mistakes, and we have made some already that we have had to correct. But I do not believe that it is proceeding too fast. Nine years is plenty of time, I think.

Mr. DEACHMAN: You say you have had to correct some errors; do you believe that these errors were made as a result of too hasty action or too inadequate planning?

Air Marshal SHARP: No, I do not, sir. These were organizational changes that we have had to make. The shape of organizations is always open to debate. In the kind of organization that we are creating we have nobody else's history or experience to fall back on. I do not believe it would have been reasonable to expect that we could hit it absolutely perfectly the first time. We have had to

make some changes, but we are prepared to make them where we see the mistakes.

Mr. DEACHMAN: One of the modern techniques used in corporate planning is that of alternatives, and alternative systems are not the result of haphazard planning but of deliberate planning. I wonder whether you can give us very briefly what your experience has been in the use of alternatives, or have you used alternative planning methods?

Air Marshal SHARP: Yes, sir, we have. In the case of the present command structure, there were at least two basic alternatives open to us, three, as a matter of fact, one was not considered too seriously. One would be to organize in such a way that most of the authority was in Ottawa in CFHQ so that we would need very few commands, if any at all. We could control things directly from Ottawa which, considering the size of our force, was a possibility. That was one alternative.

A second alternative was to organize on geographic grounds so that in a particular part of the country, the three prairie provinces, for example, we could have all the units in that part of the country, no matter what the function, under a command, with its headquarters, say, in Winnipeg.

The third alternative was to organize on functional grounds so that a commander of a particular command was responsible for an easily identifiable function. Those were three alternative which were considered and discussed and, believe me, they were argued back and forth, not only in office hours but long afterwards. We agreed eventually on the functional command organization which is what we have put into effect.

Mr. DEACHMAN: Were studies and projections of these alternatives made?

Air Marshal SHARP: Yes.

Mr. DEACHMAN: Were these submitted to committee examination and exhaustive committee study?

Air Marshal SHARP: Yes.

Mr. DEACHMAN: It has been said of unification that it would destroy the fighting efficiency of the forces and make it that much harder to fill its treaty commitments and its commitments to the defence of Canada and North America. In the course of your planning and conversion to a unified force has there been a decline in the fighting efficiency of the forces in any area as a result of the shift from a three services force to a unified force?

Air Marshal SHARP: No, I do not believe there has.

Mr. DEACHMAN: In any field, in any of the operational areas in which you are now engaging in Europe, in maritime command, in mobile command, in transport command?

Air Marshal SHARP: I do not believe there has been a drop in efficiency.

Mr. DEACHMAN: I want to ask some questions about esprit de corps and about the statements that esprit de corps will tend to disappear with the disappearance of the separate services and this perhaps follows upon some of the questions already put by Mr. Smith.

Can you tell me if the name of the Royal 22nd will disappear as a result of unification?

Air Marshal SHARP: No, the name of the Royal 22nd will not disappear as a result of unification.

Mr. DEACHMAN: Will the name of HMCS *Fraser* disappear?

Air Marshal SHARP: Not as a result of unification, no.

Mr. DEACHMAN: Will the use of the initials "HMCS" accompanying Canadian ships of Canadian forces disappear?

Air Marshal SHARP: Not concerning ships afloat. Bases, yes—shore bases—HMCS *Cornwallis* is a Canadian shore base.

Mr. DEACHMAN: But not ships afloat.

May I ask about such questions as practices, various practices, such as the navy practice of issuing of rum rations. Will the rum ration disappear? I think we want to know this.

Air Marshal SHARP: I think that is a very good custom that the navy has that we should maybe extend to the other services. However, that has not been cleared with the Treasury Board.

Mr. HELLYER: It has not been cleared with the Minister either.

Mr. DEACHMAN: What about mess rituals? Do you anticipate that mess rituals will remain the same, or do you anticipate issuing orders which will unify various mess rituals and customs?

Air Marshal SHARP: Would you give an example?

Mr. DEACHMAN: Well, for example, various regimental messes and unit messes have adopted over the years many mess customs and rituals involving dinners and celebrations, the passing of port, and all sorts of things. I wonder whether or not you propose to issue orders in which these will disappear.

Air Marshal SHARP: I certainly do not propose to issue any such order.

Mr. DEACHMAN: You do not. Well, what about the use of military bands? What do you see in store for them?

An hon. MEMBER: Bagpipes.—You could say that pipers are musicians.

Air Marshal SHARP: As far as we are planning now bands will remain.

Mr. DEACHMAN: Bands will remain.

What about regimental colours. Is there anything different going to happen about regimental colours and how will practices change there?

Air Marshal SHARP: Regimental colours will not change as a result of unification.

Mr. DEACHMAN: What will happen to regimental buttons and badges?

Air Marshal SHARP: In the case of the ordinary working uniform, day-to-day uniform, such as I am wearing now, yes, those will change because it is planned, or proposed, to introduce a single uniform which will be worn by all members of the services.

Mr. DEACHMAN: So that regimental buttons will—

Air Marshal SHARP: No; where they would wear a normal working day uniform, that would be changed. However, in so far as mess dress is concerned, there is no present plan to change that, so in that sense the buttons and the colours, etc. for regimental dress will continue to be worn.

Mr. DEACHMAN: They will continue to be worn.

Air Marshal SHARP: Yes.

Mr. DEACHMAN: How will new units be named in future. Has consideration been given to this? When new ships are launched—when new units are formed what will be the criteria of the new service in choosing names for these units?

Air Marshal SHARP: I do not know the answer to that.

Mr. DEACHMAN: In other words, what you are telling me from the questions I have asked, is that there will be very little impact upon the customs and traditions of a fighting unit. Is that correct?

Air Marshal SHARP: That is correct.

Mr. DEACHMAN: Thank you very much.

The CHAIRMAN: Mr. Fane, or did you have a supplementary, Mr. Deachman.

Mr. DEACHMAN: No, I will wait.

Mr. FANE: Mr. Chairman, I would like to go back to the place where Mr. McIntosh started, on page 10, I want to go to the bottom of the second paragraph there, where it says:

Basically, existing combat units will neither lose their characteristics nor their roles. But by removing the artificial barriers now existing between the three traditional Services, unification will make possible the interchange of personnel between commands as required by operational missions.

Now, do I understand by this, that unification means only that the people who are held in reserve are the ones who are unified and they are the ones who could be called on to go to any of the services.

Air Marshal SHARP: No, sir, that is not correct.

Mr. FANE: Well tell me again, please. I am at a loss to understand why unification when we have admitted that integration of the higher echelons is desirable. What does unification mean again, please?

Air Marshal SHARP: The answer to that question is different for the different kinds of trades and professions that we have in the services.

Mr. FANE: You mean the ancillary services.

Air Marshal SHARP: No, I mean the regular forces.

In the case of trades which are basically the same now in the three services, rather than keep three separate management systems, personnel management systems, we believe it would be, not only beneficial from the point of view of the forces managing these people, but also from the point of view of the people themselves, to have them together in a single system—a unified system.

Mr. FANE: You mean services like the pay corps and the dental corps—those are to me ancillary services. That is not what you are talking about, or signallers or whatever you call them now.

Air Marshal SHARP: Let me see how I can put it without using the word services. I can use as an example, clerks and cooks and those kinds of trades, where the basic skills required are the same in the three services, each of the three services requires that a cook be able to cook. It is to the advantage of the forces, the regular forces, to be able to manage groups like this as a single group, rather than by three separate systems. It is also of advantage to the individual

because he is in a larger group and has better opportunities for wider employment and to go higher.

Mr. FANE: I thought that integration covered that part.

Air Marshal SHARP: No, sir, integration does not cover that part.

Mr. FANE: Oh, it does not cover that part. But actually the man who would do the fighting, like the infantry man, he will always be an infantry man. A sailor will always be a sailor, except cooks, and these people you have excepted?

Air Marshal SHARP: Yes, well now, let us take the infantry man as an example, if I may. In the case of officers, even in the army now, the infantry officer was taken out of his regiment from time to time and given other experience so that he could broaden his career. So that, if he was good enough and as he was promoted, when he got to the top, he had an understanding of occupations other than his own. Now, this concept in the case of the combat arms is merely being extended right across the three present services—the navy, the army and the air force.

Mr. MACALUSO: May I interrupt, Mr. Fane. I have a supplementary.

Mr. FANE: Well, o.k. Joe, if it does not take more than ten minutes.

Mr. MACALUSO: No, not even that.

I understand that with respect to cooks there is a standard period for teaching them certain cooking matters, but then there is an extended training if you were in the Air Force, or the Navy or the Army combat units. What has happened in that respect, sir.

Air Marshal SHARP: In the case of cooks, who are transferred or posted to Navy, or Army units, they will, of course, require additional training peculiar to that environment and they will get it.

Mr. MACALUSO: Will they remain with that particular branch?

Air Marshal SHARP: Well, that will depend on the requirements of the services. It will depend also to a certain extent on the individual. In the case of the navy, one of the problems, as I understand it, is the sea to shore ratio; and in trades where they can be brought back, and put on static bases, this will certainly help the navy with the sea to shore ration problem, in those kind of trades. Now, in other trades where a great deal of extra training is required, we would then have to assess the situation and see if the cost of this extra training would be worth while in view of the other benefits that might accrue from it.

Mr. FANE: Now, regarding the navy, I am going out of my sphere a little when I talk about that. I have heard the Minister remark many times that Canada's navy now has the most efficient anti submarine capability that it ever had. I want to know first, is our navy going to have any other capability than anti submarine. Why I ask the question is that I would like to know what defence we should have these hundreds of fishing boats a few miles out from our coast, suddenly get their winches going and pull up their guns to their decks, and decide to be fighting ships? What do we have to combat something like that, if all our capability is going to be more or less antisubmarine.

Air Marshal SHARP: Armament on the ships is not exclusively antisubmarine. They do have guns—

Mr. FANE: I realize that.

Air Marshal SHARP: —and the aircraft also have guns, so they are also effective against this kind of a threat.

Mr. FANE: We would not be having naval units that are exclusively fighting and not predominantly antisubmarine.

Air Marshal SHARP: A great many of them are predominantly antisubmarine but not exclusively.

Mr. FANE: I suppose that is some protection, as long as it does not get too out of hand.

Mr. HELLYER: The tactical airplanes, too, Mr. Fane, will have a pretty good capability which could be used in an emergency for something like that.

Mr. FANE: I realize that our airplane capability is second to none, provided it is kept up.

Now, the next question I have is about uniforms, but it has been pretty well answered. When you get the uniforms all the same throughout the services, is that uniform that you have on, say, going to disappear, that type.

Air Marshal SHARP: Yes.

Mr. FANE: And, the navy uniform will disappear.

Air Marshal SHARP: The ordinary uniforms that the navy wear day to day will disappear, yes.

Mr. FANE: But I mean the ones that you talk about.

Air Marshal SHARP: Well, let us make sure that we understand this. This is not going to happen suddenly.

Mr. FANE: I realize that.

Air Marshal SHARP: There are provisions which will allow the people to wear out their present uniforms.

Mr. FANE: So, it will not be in effect, too much, while my generation is still around; it will be a later generation and they will not know any different. Is that the idea?

Air Marshal SHARP: Well, there will always be some people caught in the middle.

Mr. FANE: I realize that.

Do you think that this unification, particularly the uniforms, is apt to cause loss of esprit de corps and morale in the various services?

Air Marshal SHARP: I do not think so, in the long run.

Mr. FANE: In two generations from now.

Air Marshal SHARP: Oh, no, no. Some people feel very strongly and deeply about their uniforms. Other people admire the uniforms and are proud to wear them. But I am not making, or would not make, a major issue of giving them up in favour of another uniform which was equally attractive and comfortable and substantial. Of course some people who feel very strongly about giving up their uniforms, and this is, I suppose, perfectly natural. But over a period of years I do not believe that this will have a lasting effect on morale.

Mr. FANE: What you really require to put your unification ideas over, and the single uniform for all the services, is to have another war right away fast, then nobody would worry about what—

Air Marshal SHARP: Well, I feel pretty strongly in favour of unification, but not strongly enough to advocate that we need another war to bring it about.

Mr. FANE: So do I. Thank you very much, Mr. Chairman.

The CHAIRMAN: Could I clear up one point gentlemen, on the matter of this uniform. I seem to recall seeing somewhere, or hearing somewhere, that the present uniform such as Air Marshal Sharp is wearing would be permitted—am I not correct—to be worn on ceremonial occasions?

Air Marshal SHARP: Yes, under those circumstances, you attach something to the epaulettes and you put on a different belt. That part of it will be retained, yes.

Mr. HARKNESS: Air Marshal Sharp, when you were dealing with the difference between integration and unification, or the projected single unified defence force, your paper and your answers to Mr. McIntosh placed the chief distinction between the two on a legislative basis. Now, is it not a fact that you can have an integrated force, or you can have a unified command structure, without doing away with the three services or going to a unified single force.

Air Marshal SHARP: Yes, sir, that is a fact.

Mr. HARKNESS: Is it not a fact that this in effect, is what has been done in both the United Kingdom and the United States?

Air Marshal SHARP: No, sir.

Mr. HARKNESS: Well, what has been done there in regard to producing a unified command in each case?

Air Marshal SHARP: In the case of the United States where they have unified commands, underneath and supporting those unified commands are equivalent commands of the three services, if the three different services are involved in the unified command. What they have done in effect, is superimpose on top of their command structure, another layer, another step in the organizational chain, a unified command structure. They have not done away with any commands as a result—

Mr. HARKNESS: They have, in effect, integrated or unified, if you want to call it that, command structure in each case, in whose hands lie the general direction of the services and in the event of a war, the general conduct of that war.

Air Marshal SHARP: Yes, I believe that is a fair statement.

Mr. HARKNESS: Now, is that not also the pattern that every other country in the world has either adopted or is working toward?

Air Marshal SHARP: I am sorry, sir, I do not know the answer to that. I do not know what every other country does.

Mr. HARKNESS: Well, is there any other country which has adopted or has given any indication it is going to adopt the projective system we have here of a single force?

Air Marshal SHARP: I am not aware of any other country that has now adopted a single force.

Mr. HARKNESS: Well, I am not aware of it either, in fact I am quite sure there is not one.

Mr. MACALUSO: On the record I believe we are the first.

Mr. HARKNESS: I beg your pardon?

Mr. MACALUSO: It is on the record that we are the first to try it.

Mr. HARKNESS: Not only are we the first to try it—this is the very point I am getting at—but no other country has seen fit to follow this particular form of military organization. And this is the point I am making, this is a theoretical experiment without really any background of military experience to back up its soundness.

Mr. SHARP: Based on that, there would never be any changes, then, would there?

Mr. HARKNESS: No; this does not follow at all; there has been very considerable change made as far as the command structure, and as far as the integration services are concerned as far as Britain is concerned; and as far as a considerable number of other countries are concerned. Basically, I am getting at the point that there is much more than a legislative difference, as you indicate was the chief distinction, between integration on the one hand and unification on the other.

Air Marshal SHARP: I am sorry if I gave the impression that that is the only difference. What I tried to imply is that in so far as making a clear break between integration and unification, is concerned, in terms that one could define where one stops and the other begins. The two legislative steps is the only place where you can make that kind of distinction between the two. All the other processes are continuous, it is hard to define precisely where one ends and the other begins, they overlap, except in the legislative sense.

Mr. HARKNESS: Well, the point is that you can have two quite different systems. One in which you have an integrated command structure and your integrated administrative services and still retain the three separate fighting groups.

Air Marshal SHARP: Yes, sir, you can.

Mr. HARKNESS: And as a matter of fact, in essence, this is what they are doing in the United Kingdom. Is that not a fact?

Air Marshal SHARP: I am not too sure that I am sure of the exact details of what they are doing in the United Kingdom.

Mr. HARKNESS: Well, there are various White Papers on it and I think they certainly indicate that that is the situation. Now, following that along a somewhat different line, one of the statements you made was the single unified force will be able to react more rapidly than in the past. How can it react more rapidly than in the past? As an example, how can you get ships at sea and in a fighting posture more rapidly under this system than you could under the system that we have had in the past?

Air Marshal SHARP: You cannot.

Mr. HARKNESS: You cannot, no. This is the very point; I think this is correct. Similarly, how can you get the air division in France into operation more rapidly under this set up than the one that we have?

Air Marshal SHARP: You cannot; they get into action immediately anyway.

Mr. HARKNESS: Is this not true, as far as any of the fighting elements are concerned?

Air Marshal SHARP: No. that is not true.

Mr. HARKNESS: Well, in what way is it not true? Out of the two examples that I mentioned first you said that you could not get them into action any more rapidly; you could not react more rapidly.

Air Marshal SHARP: Let me give you two examples where you can react more rapidly.

Mr. HARKNESS: You made the general statement that forces would be able to react more rapidly than in the past. Where and how will it be able to react more rapidly?

Air Marshal SHARP: All right; if you have the CF-5's when they are organized as squadrons under a separate command, from mobile command, they will not react as fast as if the CF-5's were placed under the command of mobile command who can do all the planning and has the command and control over them. That is true in the case of CF-5's and it is also true in the case of the Buffaloes which will be under the command of mobile command.

Mr. HARKNESS: You are talking there about some sort of a combined force operation, and once more I think this is a matter of theory whether they could react more rapidly, or whether they would in actual practice not react as rapidly as has been the case in the past, when you had thoroughly specialised individual forces.

Air Marshal SHARP: Well I believe, sir, that they would be able to react more rapidly—

Mr. HARKNESS: But what have you got to base your belief on? It is all right to say «I believe this», and as I say, you made this general statement that they would be able to react more rapidly, and you have not yet produced any case—

Air Marshal SHARP: I have based my belief on the fact—

Mr. HARKNESS: Just a minute please, wait until I finish. You have not yet produced any case in which you have been able to demonstrate that they would be able to react more rapidly, and in two cases you admitted that they would not be able to react more rapidly.

Air Marshal SHARP: I base my belief on the fact that as a commander has complete control, administratively, under peace time conditions and under war time conditions or emergency conditions, of the forces that he is going to use in the emergency conditions, because he has that control, he will be able to react more rapidly than if he had to depend on the reaction of some other commander or on the coordination being effected by a higher authority command.

Mr. HARKNESS: Well, what you are saying in effect is that you believe—

Air Marshal SHARP: And this, I believe, has been shown to be true in operations.

Mr. HARKNESS: What you are saying in effect is that you believe a unified command is better than a non-unified command, and as far as any particular field operation is concerned, I agree with you in that regard. But I do not think that has any relation to having either a single force, on the one hand, or three separate services on the other hand. I see no relationship between the two things.

Air Marshal SHARP: Well, if you have three separate personnel management systems let us take the example that we were talking about just now with the CF-5's and the mobile command. In this case there would be an airforce personnel management system involved and an army management system involved. The airforce management system may place different priorities from the army management system, on the importance of the question. Now, these can of course be resolved, I am not saying they cannot be resolved, but it takes time to

resolve these problems. Under one system it is done; there is one man and one organization in charge.

Mr. HARKNESS: Well, you have come to the fighting effectiveness of the force now. What it comes back to again is whether there is one over all command in charge, we will say, of a mixed groups, or whether you have not got that, and as long as you have that I see, as I say, still no relationship and no advantage in having a single defence force rather than three separate services. Just the same as there was really no advantage, in my view, in having, we will say, as things were in the past, one army and no distinction between infantry, armour, artillery, engineers and what not. In fact, from the practical point of view, you had to have that distinction to have an effective type of force.

Air Marshal SHARP: Unification does not mean that there will not be a distinction between the different kinds of fighting elements. I appreciate and understand that this kind of expertise must be maintained, and it has been, and it will be.

Mr. SMITH: Would the speed with which you can get a combat unit into action depend on the state of readiness that unit is in?

Air Marshal SHARP: Partially, yes.

Mr. SMITH: Partially, I would say primarily.

Air Marshal SHARP: The unit could be at a 100 per cent state of readiness and somebody can procrastinate on making the decision to let it go.

Mr. HARKNESS: Well, to go on to another point; you referred to the aims and objectives of defence policy as laid down in the White Paper, and a question I would like to ask you in regard to that is, how careful a computation has been made of the number of troops required to fulfil those aims and objectives, or in other words to fulfil the defence roles involved in maintaining those objectives.

Air Marshal SHARP: We have made a fairly careful computation on that, but the numbers required depend to a certain extent on the amount and kind of equipment that we are going to be able to buy. We are operating within, as you know, a fixed budget, and the amount of equipment that we can buy depends on one thing, amongst others, on the amount of savings that we are going to be able to make, for example, in training command. We do not know precisely yet the extent of those savings, and, therefore, we do not know precisely the amount and kind of equipment we can buy. Therefore, to that extent, the computations that we have made on our mankind requirements are limited.

Mr. HARKNESS: What is the figure which has been reckoned, on the basis of the equipment now in possession of the forces and the equipment which has been ordered and which is expected to be secured, we shall say, in the next three, four or five years? On that basis what numbers are required to meet these objectives?

Air Marshal SHARP: At the present time we state a requirement for 109,000. However, we have not yet extracted the full savings of personnel that we expect to get from some of the supporting functions such as training and materiel command. It is possible that the savings that we get from these and other supporting functions would allow us to meet our commitments with the equipment we can afford to buy with about 105,000.

Mr. HARKNESS: The figure which was given some considerable time ago or, at least, the forces were to be run down to, was 110,000. I do not know whether

that figure—and this is what I am getting at—was arrived at by any careful examination of how many people were required to carry out the roles which defence policy had laid down that they should be able to carry out or whether this was just pulled out of a hat. Your answer still really has not informed me of that.

Air Marshal SHARP: I was not aware that that was the question you asked previously, Mr. Harkness.

Mr. HARKNESS: I beg your pardon?.

Air Marshal SHARP: I was not aware that that was the question that you asked previously. I was not here when that decision was made, but I believe that this was arrived at in a much more rational way than pulling it out of a hat. On the other hand, I do not believe that anybody would claim that it was possible at that stage to look at each unit, particularly the supporting units, and say we need precisely that number of people to do that job in that unit. I do not think that kind of precise calculation was possible. I believe it was much more rational than just pulling it out of a hat.

Mr. HARKNESS: I did not, of course, say it was pulled out of a hat. I asked a question whether any careful examination was made and, therefore, any precise figure arrived at. But you say you were not here at the time so I perhaps can go into that question at some later time with the Minister. I do not want to take up too much time. I will come back with my questioning later on.

Mr. ANDRAS: Sir, would you permit a supplementary question immediately along the line of the last one?

The CHAIRMAN: Well, except that Mr. Foy already—

Mr. ANDRAS: Air Marshall Sharp, in your experience as an officer—I am going by what I saw today—have you ever seen any program studied in the depth that apparently the forces are studying now by virtue of computers or any other method?

Air Marshal SHARP: No, sir, I have not.

Mr. ANDRAS: In previous estimates of force requirements—the number of people—personnel estimates that were done before—was there anything comparable, in terms of quality and depth study, possible.

Air Marshal SHARP: Yes, in terms of determining how many people you want. Yes, past studies have been through in that regard.

Mr. ANDRAS: As thorough as this one?

Air Marshal SHARP: Yes. In that aspect of planning past studies have been thorough.

Mr. FOY: This arises from Mr. Harkness' original remarks about unified command. It has always been my impression that Canada's military role—it has been felt by government and also high command in the forces—is more suited to a unified command than the three-command system. I would like to ask you a question about the future. With respect to the progress to date in the scientific area of our role and the progress to the future, is it not conceivable, if we did not change to a unified command, that under new programs in the future our three-command could maybe increase to five or six commands such as space, and other roles that scientific development will create. The unified command is

working to control these and not have too many offshoots in different areas of command which would be unwieldy?

Air Marshal SHARP: I do not know. I suppose that is a possibility and maybe even a probability. What we do feel is that these advantages, because they possibly will cut across the traditional division in responsibilities between the present services, will create the need for different kinds of commands embodying part of what may now be our air force and that sort of thing. But whether it would also create the need for additional and offshoot commands I do not know. It is possible; there have been mistakes.

Mr. Foy: This is what I had in mind. A unified command then is the answer to these problems now with our military role and also to the future progress and what might be anticipated in space and at the bottom of the ocean and other things that we read about, different scientific and technological developments.

Air Marshal SHARP: Yes; I believe in the design of our command organization as it is now. One of the factors that was considered in drawing it up was that it would be amenable to future advances in science; that was one of the factors.

Mr. Foy: Air Marshal, is this why you said that a unified command is the answer to Canada's problems? Is this one of them?

Air Marshal SHARP: This is one of them; yes, partially because of that and partially on economic grounds.

Mr. Foy: Yes.

Mr. MACALUSO: Air Marshal Sharp, I would like to refer to a statement made by Mr. Harkness in one of the debates in the house on the defence commitments that are outlined in the White Paper, I think the words Mr. Harkness used were: "Surely the best way in which to meet this need of Canadian Defence"—and I believe he was referring to the White Paper on defence—"is by maintaining the present three services." I would gather from your answers to his questions now that you do not agree with this at all?

Air Marshal SHARP: That puts me on a bit of a spot but I would have to say that I do not agree with the statement you read out.

Mr. MACALUSO: Yes.

Mr. HARKNESS: Do you realize that Air Marshal Sharp would not be there if he did agree.

Mr. MACALUSO: I do not believe that; I think his presentation here today shows otherwise. From your presentation today, Air Marshal, I would gather—you can correct me if I am wrong—it is the view of the Department of National Defence right now that unification is militarily and financially better than the system which we are now operating under?

Air Marshal SHARP: Yes, I believe that.

An hon. MEMBER: What do you mean by "militarily?"

Mr. MACALUSO: That is my next question. This is a statement which I have taken from a speech made by Mr. Lambert in the house. He states that unification is not militarily and financially better than the system under which we have been operating. If there is anyone who can describe "militarily" perhaps he can, and what he meant by that, later on. Is a clear distinction of the roles for each of the services any longer possible if they were to remain with our present system.

Is there a clear distinction of roles for each service? I am thinking of the overlapping.

Air Marshal SHARP: There is not a clear distinction in my opinion between the roles of what the Maritime Air Command and the navy and its antisubmarine role. The role is the same.

Mr. MACALUSO: You mean that the sailors are now flying and the fliers are now sailing?

Air Marshal SHARP: No; the role was antisubmarine but the equipment they used was different. But it was for the same purpose so the role was the same, there was no distinction between them.

Mr. MACALUSO: But generally speaking—what I am trying to get at is there any distinct role in the three services now, any clear line of distinction?

Air Marshal SHARP: Yes; there is a distinct role in the air defence business.

Mr. MACALUSO: What about the navy and the army combined, the three services altogether? As I understand it, the sailors are flying now and the air force is on the ground taking care of ballistic missiles.

Air Marshal SHARP: There is still a distinct role in the sense of the gap in a few places. O.K., sailors are flying but sailors are not performing the army role, for example, in the infantry nor is there any intention that they do so, nor are air force personnel.

Mr. MACALUSO: Does the new weapon system which you envisage and the ideas which you are envisaging in the unification and integration program you have fit into the old concepts of the service function, the new weaponry which you are contemplating on purchasing? If we were to keep the three separate services, would the new weapons fit into these old concepts?

Air Marshal SHARP: In many cases they would, but we would not be able to afford to buy them anyway, so it is a hypothetical question.

Mr. MACALUSO: Then I will go on to my next question. Can you afford to buy the new weapon system with the three services?

Air Marshal SHARP: No.

Mr. MACALUSO: It was brought up earlier and I will repeat it: Is the argument valid that tradition is so important to esprit de corps that we cannot risk losing its effect even to gain the advantages of unification?

Air Marshal SHARP: I do not believe that to be valid.

Mr. MACALUSO: Can we afford either from the economic or the operational efficiency point of view to hold to outmoded ideas for the sake of tradition? I realize the important role that tradition plays.

Air Marshal SHARP: No, I do not think we can. That is putting the case in a pretty extreme way though.

Mr. MACALUSO: Yes, that is my intention, Air Marshal.

Air Marshal SHARP: No, I do not think so.

Mr. MACALUSO: One of the arguments that I keep hearing against unification is that—unification as you described it today and as you presented it—no individual can possess the knowledge required to command and control an integrated force. What have you to say on that?

Air Marshal SHARP: It depends on what level is the chain of command.

Mr. MACALUSO: We are looking at the top level, say, the chief of staff; he is the top man.

Air Marshal SHARP: I believe the present chief of staff is quite able and capable.

Mr. MACALUSO: Then, you would not agree with that argument?

Air Marshal SHARP: No, I would not—not at that level—but I would at the fighting unit level.

Mr. MACALUSO: In other words, if the three services remain as they are.

Air Marshal SHARP: No, what I am saying is that I do not believe, and there is no intention of making officers interchangeable, let us say, a company, or an RCAF squadron or a naval ship level, down at that level.

Mr. MACALUSO: Or the level at which the argument is being used, namely, the top level, the Chief of Staff level?

Air Marshal SHARP: No.

Mr. MACALUSO: I have a statement made by Captain J. G. Forbes, RCE in a Canadian army staff college in 1959-1961. The heading is "Unification—Why, How and When" and he states there that we have already started unification in a haphazard desultory fashion.

An hon. MEMBER: Desultory.

Mr. MACALUSO: I am not concerned with pronunciation.

What experience or what knowledge do you have that unification started away back—or any background on unification?

Air Marshal SHARP: I would not define what started then as unification, I would define it as integration. The three separate branches were brought together, which we have already effected, which was effected about that time, I believe.

Mr. MACALUSO: I will pass just now and come back. I think my ten minutes are up.

The CHAIRMAN: That is fine. Mr. Churchill.

Mr. CHURCHILL: I would like to ask one or two questions of the Air Marshal that refer to earlier questions that were brought before us.

Up to this point has there been any unification of the combat forces, the fighting forces?

Air Marshal SHARP: No, sir.

Mr. CHURCHILL: Well, then, it is right to say that the efficiency of the combat forces has not been affected by unification?

Air Marshal SHARP: Not directly, sir. As a result of other phases being unified and saving money, we are able to—

Mr. CHURCHILL: No, I am talking about the fighting efficiency of the forces. It has been maintained.

Air Marshal SHARP: Well, that depends on how well we can provide them with good equipment which we can afford to buy by unifying other parts of it and not the fighting services.

Mr. CHURCHILL: Perhaps, I did not make my question clear. The present fighting efficiency of the forces has not been impaired by unification up to this moment?

Air Marshal SHARP: I believe not.

Mr. CHURCHILL: The reason I asked that question was that Mr. Deachman asked this question earlier and it was obviously a sort of propaganda question because there has been no unification of the fighting forces. Therefore, there is no question about the present efficiency of the forces.

Mr. DEACHMAN: Mr. Chairman, I wonder for the record if you could single out what is a propaganda question so that we will know whether Mr. Churchill's are propaganda or mine are.

Mr. CHURCHILL: I have no trouble in answering that. I would like to ask another question.

An hon. MEMBER: Your are an old professional.

Mr. CHURCHILL: Mr. Macaluso just asked a question. He put it this way that we cannot buy the new weapons required with the three services to which the Air Marshal answered no. What is the meaning that—that the three services must be changed to one single service before there will be money available to buy new weapons?

Air Marshal SHARP: Yes, sir; I believe that to be correct.

Mr. CHURCHILL: Is it not rather that the new weapons will be obtained in one of the two ways, by an increase in the budget or by a continuing decrease in total strength of the three services?

Air Marshal SHARP: No; I believe it is possible to select the correct balance within a constant dollar budget between servicemen and a certain amount of money to buy new equipment each year to keep the service modern. I do not believe the only two alternatives are either an increase in the budget or a decrease in the numbers of people. I believe it is possible to select the right balance but I would say it must be based on constant dollars.

Mr. CHURCHILL: The information I received from the Minister some time ago in the house was that there has been a reduction in the strength of the services plus a reduction in the civilian personnel equalling 23,000 people. As a result of that, a considerable amount of money has been available for other purposes. Is that right? I will ask the Minister that question. The present budget has been maintained at its level, the ceiling set by the Minister of Finance, and new equipment is on order, I hope, but this has all happened because the strength has been reduced, military and civilian, by 23,000.

Mr. HELLYER: Without the reduction in strength, it would not have been possible to acquire the equipment that we have, and are acquiring, in the circumstances without a very substantial increase in the budget.

Mr. CHURCHILL: The purchasing of equipment then has been due more to the reduction in strength than to any other factor?

Mr. HELLYER: Well, the reduction in strength has been partially, and when I say partially I mean about two-thirds, due to the integration process. Therefore, it is the savings that have been made by this process which largely have enabled us to maintain a higher level of capital acquisition.

Mr. CHURCHILL: Well, I ask the Air Marshal, are there still 13 battalions in the army.

Air Marshal SHARP: Yes, sir.

Mr. CHURCHILL: Are they up to strength?

Air Marshal SHARP: No, sir.

Mr. CHURCHILL: How much are they below strength?

Air Marshal SHARP: I do not have the exact figures here; I do not believe I have them.

Mr. HELLYER: I understand that question is on the Order Paper, Mr. Chairman, and the figures will be given in reply to it.

Mr. CHURCHILL: But could we not get the answer here? I was going to ask a similar question with regard to the navy. By how much is the navy under strength? By how much is the air force under strength? These are essential bits of information that we require. If those answers are not forthcoming at the moment, we might get them for the next meeting.

I would like, Mr. Chairman, if we could—

Mr. McNULTY: Just for a point of clarification, could I find out what Mr. Churchill means by under strength?

Mr. CHURCHILL: Well, with regard to the 13 battalions, they have an establishment, and I want to know how much they are under that establishment. With regard to the navy, how many ships are in operation and what is the complement with regard to the crews, and similarly with the air force? There is an establishment.

Mr. DEACHMAN: Mr. Chairman, for clarification there are different kinds of establishments; there are levels of establishments for individual battalions and regiments. There are peacetime levels of establishment, wartime levels of establishment.

Mr. CHURCHILL: Oh, I am glad to get that information.

Mr. DEACHMAN: This is for your information.

Mr. CHURCHILL: Yes, this is the first time I have heard about that. It is very kind of you indeed.

Mr. DEACHMAN: As this is an area the honourable gentleman who knows very well, I wonder if he would establish what levels.

Mr. CHURCHILL: It is very kind of you to help me out like that.

Mr. HELLYER: That is a very useful qualification because if you would use the NATO standard for the navy, for example, I could say that they are staffed well beyond the NATO minimum standard.

Mr. CHURCHILL: You are ready for instant action?

Mr. HELLYER: Yes.

Mr. CHURCHILL: We have forces in being—

Mr. HELLYER: That is right.

Mr. CHURCHILL: —on a war footing, then, if you are going to have instant action?

Mr. HELLYER: A certain number of ships are on that "in being" footing at all times.

Mr. CHURCHILL: And the brigade in Europe is on a war footing? It is a war establishment.

Mr. HELLYER: That is right.

Mr. CHURCHILL: And the air division, and the antisubmarine navy would be on a war establishment in order to meet NATO demands which might arise tomorrow?

Mr. HELLYER: The NATO minimum demands are well below those to which the Canadian navy had been manned for a number of years.

Mr. CHURCHILL: I would be glad to have the figures, so that Mr. Deachman and I will be talking about the same thing. May I ask the Minister a question or two based on the document which has been produced by the Air Marshal and which contains a great deal of information that we had before and quite a bit of the jargon of National Defence. I would like to ask the Minister a question about the last two sentences in the second paragraph on page 2. Is this simply not a repetition of what we have been hearing now for about four years, and I read the sentences:

In other words, it is government policy to create meaningful forces for peacekeeping/peace restoring. This does not mean, nor does the White Paper state that the present roles will be given up.

So we continue to maintain our brigade in Europe, our air division, our antisubmarine navy and the other forces that are earmarked for special purposes and there is not change, then, at all. Is that right?

Mr. HELLYER: That is substantially correct.

Mr. CHURCHILL: Now would you explain to me how you define the word "meaningful"; you speak about "meaningful forces for peacekeeping". We have been for over ten years doing peacekeeping. Have those forces been meaningless?

Mr. HELLYER: No; but in the future it means that they will be meaning more.

Mr. CHURCHILL: In what way will they mean more?

Mr. HELLYER: If you will recall some of the limitations in the past, moving a battalion, for example, to the Middle East when there was a requirement. At the time the force was established in the Middle East, it posed very, very serious problems for the Canadian forces and meant that our only aircraft carrier had to be tied up and equipment removed from it and so on. What we are attempting to do is to provide a capability which will allow us to make that kind of response in a more meaningful way, in the sense that we will be able to respond more quickly and more adequately to an emergency when it arises.

Mr. CHURCHILL: That is different from meaningful forces, then. You are not downgrading the present forces.

Mr. HELLYER: Absolutely not. I think we must be very careful about our semantics here and not create any impressions which were not intentional.

Mr. CHURCHILL: May I ask the Minister a question with regard to the single service proposal. Does the Minister visualize instances where an air force may be acting quite independently of the army.

Mr. HELLYER: It is possible that air units would act independently of army units, of course, as it is possible that army units would act independently of air force units.

Mr. CHURCHILL: And similarly the navy would act independently of the army?

Mr. HELLYER: This is possible. The trend as we have discussed many times is toward combined operations, and certainly the majority of our operations are now combined operations involving units of two or more of the forces. This is certainly the historical direction in which we are moving. That does not mean that you could not send two ships in response to a request for two ships, or a squadron of aeroplanes in response to a request for a squadron of airplanes, or an infantry company or an infantry battalion in response to a request for one of those, or a signals regiment, or whatever the requirement was. At the same time, if the lessons of world war II and since mean anything, they mean that the trend in so far as the future is concerned is in the direction of a combination of units from different disciplines working together in a single role.

Mr. CHURCHILL: I think the Minister is anticipating the future. Does he see navy, army and air force operating together more frequently than has been the Canadian experience in the past?

Mr. HELLYER: This is a possibility. Certainly, I would think it is a probability.

Mr. CHURCHILL: Combined operations; landing on the beaches again?

Mr. HELLYER: Not necessarily landing on the beaches but after you get in a combat theatre, certainly air forces and land forces operate in combination and it could very easily be that they would be supported in some way by maritime forces as well.

Mr. CHURCHILL: I would like to ask the Air Marshal a question to conclude my questions, Mr. Chairman. At page 13 the Air Marshal was talking about, and I will read the last sentence on on that page:

Aside from the difficulty of assigning functions in the grey area between environmental and non-environmental trades to a service, there is a more fundamental reason why a single unified service is required, and that concerns a serviceman's loyalties.

The Minister mentioned this in the course of his speech and I have made comments in the house about it but I was wondering; it may not be fair to ask the Air Marshal this because I presume he is reflecting ministerial policy. In what way has there been a deficiency in the past with regard to a serviceman's loyalty to his country? In other words, has his loyalty been to his unit or his ship in any noticeable factor and not to his country. Why must there be an emphasis now on this as something that will be created by a unified single service. What is the experience that has shown that there has been a lack of loyalty to one's country by servicemen?

Air Marshal SHARP: I did not say or intend to say that there has in the past been a lack of loyalty to his country by servicemen.

Mr. CHURCHILL: What do you mean by saying there is a more fundamental reason why a single unified service is required?

Air Marshal SHARP: I am saying that in the future because of the advance of science and the fact that modern weapons will cut across, with traditional split in the roles of the three services, that it is possible than an officer making recommendations concerning requirements, might be faced with the choice of making a recommendation to buy a piece of equipment which would enhance and maintain the status quo of his service, but which would not be in the best interest of the

country, if you looked at the total picture. I am not suggesting this has happened in the past, because the equipment was not of that nature in the past.

Mr. CHURCHILL: I would suggest that that is scarcely a question of loyalty to Canada or to the services. It is a conflict of interest between the requirements for the various services.

Mr. HELLYER: I will give you an example and I do so with some trepidation, because it involves another country. I think the recent difference in opinion between the Royal Navy and the Royal Air Force in respect to who was going to acquire tactical aircraft for the future, was conducted in a manner in which both services put service interest ahead of the national interest. Now, that is my opinion, and you can disagree with it if you wish.

Mr. CHURCHILL: I certainly disagree with the Minister of National Defence for Canada criticizing something that has happened in Great Britain.

Mr. HELLYER: I think it is one of the best classic examples of the reason why the single service concept is inevitable, as well as being a good solution militarily and economically.

Mr. CHURCHILL: This is a shocking statement coming from a Minister of the Crown.

The CHAIRMAN: What is so shocking about it?

Mr. CHURCHILL: Implying that the Royal Air Force and the Royal Navy had a conflict of interests with regard to loyalty to their country.

The CHAIRMAN: Does that finish your line of questioning at this point, Mr. Churchill?

Mr. CHURCHILL: I think this is a good place to stop.

Mr. MACALUSO: Mr. Chairman, I would like to make a correction in a statement I made. I attributed to Mr. Lambert a statement in which the words "militarily and financially" were used; they were made by Mr. Harkness. I would like to apologize to Mr. Lambert.

Mr. ROCK: Air Marshal, with regard to communications, I believe the navy had the naval code, the air force probably the air force code and the army the army code possibly?

Air Marshal SHARP: This is possible, but I am not too sure.

Mr. ROCK: First of all, I think these codes were the same as the ones used by the British. I am thinking of world war II, and I would like to know if with this unification of the services and also of communications, we are to develop a Canadian force code. I am saying this with regard to an emergency. Usually the services use code rather than plain language. Are we going to have one Canadian forces code for the army, air force and the navy units? Will we have the electronic equipment purchased for that purpose?

Air Marshal SHARP: Yes; but I think I would have to qualify that in saying that would not be the only code they use. For example, NORAD has a code which we continue to use.

Mr. ROCK: I was just going to ask if NORAD had a code of its own?

Air Marshal SHARP: Yes, several.

Mr. ROCK: Regarding Bill No. C-243, are you satisfied with it as it is now printed, or have you any suggested amendments?

Air Marshal SHARP: No; I am satisfied with it.

Mr. ROCK: You have had the opportunity of speaking to some high ranking foreign military officers?

Air Marshal SHARP: Yes.

Mr. ROCK: Have they ever made any remarks about Canada unifying its forces?

Air Marshal SHARP: Yes.

Mr. ROCK: What are their remarks in this regard?

Air Marshal SHARP: The remarks of the ones I have spoken to as recently as last week end—were more in the form of questions; they are very curious about it. In the case of the USAF officers,—the ones I have spoken to—some are very much against it and others—I honestly did not expect to hear this from them—stated on several occasions they have heard strong arguments for it, even within the United States Air Force. I had not heard of this when I was down there previously, but I was told that over the week end.

Mr. ROCK: I have spoken to people of different countries and it seems that a lot of the foreign countries have their eyes on Canada. They are interested in knowing what is going to happen here, because if it is a success they feel they would like to do the same thing. I have heard this from American officers and officers from other countries and that is why I asked you that question.

I would like to refer to some questions which Mr. Harkness and Mr. Churchill put forward, and the remarks of the Minister, but, Air Marshal Sharp, I would like to ask you this question. Would you be able to deploy forces more rapidly under a unified command than was previously done? I would like to ask a direct question on the situation of Cyprus, and the length of time it took to deploy forces there, or previous to that to get to the Gaza Strip? With this mobile command, would we be able to send forces today to any trouble spot more rapidly under a unified command compared to the time it took at the time of the Cyprus problem and the Gaza Strip problem?

Air Marshal SHARP: As you know, air transport command is a separate command, so the strategic transport does not come under mobile command. However, as a result of bringing the army units under one command, rather than their previous geographic commands, I believe that those units can be brought together more quickly and there is only one command who have to deal with air transport command to effect the co-ordination to transport. I would say "yes" under this present new command structure.

Mr. SMITH: Is not the availability of equipment though a big factor?

Air Marshal SHARP: Of course it is.

Mr. ROCK: I think we will be prepared in the future in that direction at any rate.

Mr. CHURCHILL: I would like to ask a supplementary. Has not the army always been under one command, despite regional placements?

Air Marshal SHARP: Not to my knowledge, no. There were four geographic commands.

Mr. CHURCHILL: How many armies have we had?

Air Marshal SHARP: That is a good question, I believe we had several?

Mr. CHURCHILL: Oh!

Mr. LAMBERT: All it required was a chief of the General Staff.

Air Marshal SHARP: If he had to deal with more than one command, he had to deal with two commanders and not one.

Mr. HELLYER: If the Minister needed people from the army from two different commands, and the air force from one command and from the navy, that would mean that he would have to go through four commands.

Mr. McINTOSH: They have to go down to the regiments and the companies and everything else. It is all changed.

Mr. ROCK: Who had the floor, Mr. Chairman?

The CHAIRMAN: I thought you did, Mr. Rock.

Mr. ROCK: The last time this happened, there were some words attributed to me that were not mine, and I hope it does not happen again.

What is the educational requirements today for recruits, that is, the lowest educational standard today for recruits in the army, air force and navy?

Air Marshal SHARP: I cannot give you an exact answer on that. For most trades in the navy and air force the educational standards are higher than the majority in the army.

Mr. ROCK: What is this, a high school education or is it grade 8.

Air Marshal SHARP: The lowest is about grade 8, if I remember correctly.

Mr. ROCK: The lowest is grade 8. This is for the army?

Air Marshal SHARP: Yes, but only some occupations.

Mr. ROCK: Do you feel that this should be lowered and that we should have an educational system by which we could possibly give them a crash high school training at the same time as their time of service. I mean lower the grade of education and accept these recruits and give them a crash program of high school education within the service while you are giving them training?

Air Marshall SHARP: No sir, I do not. I do not believe it is our function—provided we can get recruits with the proper educational standards, then I do not believe we should give the education in service. I do not believe that having got them in with the minimum educational standards, we should then encourage them and give them every opportunity to improve their educational standards so the lower ones could progress to the more skilled jobs and higher paid trades.

Mr. ROCK: Thank you very much.

The CHAIRMAN: Gentlemen, it is about 3 minutes to 10 now and we have Mr. Lambert, Mr. Winch, Mr. Forrestall, Mr. Laniel, Mr. Andras, Mr. McNulty and Mr. Smith. Do you wish to continue now or shall we adjourn?

Mr. LAMBERT: I cannot be here on Thursday, so I would prefer to continue.

Mr. Chairman, I would like to carry on the questioning which was developed by—

The CHAIRMAN: You said Thursday, but we are meeting tomorrow afternoon.

Mr. LAMBERT:—Mr. Harkness. Air Marshal Sharp, you went to some considerable pains to demonstrate that integration resulted in a quicker command response and I do not think you ran into any opposition with regard to that conclusion; but will you not agree as well though—and let us take mobile command—that the commander, and let us say he is an airman, has some

knowledge as a result of his experience of ground capabilities, but does he still not require his specialist ground or land force advisers?

Air Marshal SHARP: Yes.

Mr. LAMBERT: He will require his armoured corpsmen and he will require his gunner and he will require his field engineer, and so forth.

Air Marshal SHARP: No, I agreed with the first part, but I did not say yes to the second part.

Mr. LAMBERT: He will need his armoured corpsmen, the specialist.

Air Marshal SHARP: He will need specialists; to the extent that they must be broken down, whether he needs a specialist in each corps or not, I am not prepared to say at this moment, because I do not know.

Mr. LAMBERT: Just one moment. Are you going to tell us seriously that a man who is an armoured corps soldier would be able to advise the commander on the use and capabilities of the gun?

Air Marshal SHARP: No, I am not saying that, but there are a lot more corps than those two.

Mr. LAMBERT: Well, then, you will have more than—I gave you two or three examples.

Air Marshal SHARP: All right.

Mr. LAMBERT: Will their efficiency be increased as a result of putting those men in one uniform. Will they be better than if they were in their own service uniform, the land forces, the airmen and I could reverse the position and say that a mobile commander would be a soldier—

Air Marshal SHARP: That's right.

Mr. LAMBERT: Now, he has to have an airman specialist to advise him. Is that airman specialist a better man because he is in a single service uniform? Would there be any detraction because of that?

Air Marshal SHARP: The discussions that I have had recently with both junior and medium rank officers and other ranks, who until recently were working only beside another man of their services, and who are now working side by side with a man of another service, doing essentially the same job, but they are wearing a different uniform and they say, "Look, we are doing the same job, when are we going to get into the same uniform?"

Mr. LAMBERT: But the gunner—

Air Marshal SHARP: In the case of the gunner, that is correct. There is nobody else in blue, or light blue, or dark blue uniform working beside him doing the same job; but there are in a lot of other trades.

Mr. LAMBERT: Well, I will grant you that in so far as pay clerks, and the pay corps and the administrative services, are concerned yes, but we are talking about the fighting services. This is where we feel that the greatest difficulty arises with the proposals under this bill, and I question—will the man be any better because he is in a single uniform?

Mr. HELLYER: Surely you are not proposing fourth force theory, though, are you putting the support services in a separate uniform?

Mr. LAMBERT: No, not necessarily no.

Mr. HELLYER: How many different ones are you going to have, three, four or one?

Mr. LAMBERT: I will have the three. I am not persuaded that the fellow who is a pay clerk, who happens to be wearing light air force blue, is going to be any better and the man alongside of him, who is also a pay clerk coming from the navy, who is wearing a naval uniform, is going to be a better man because they are wearing a single uniform.

Mr. HELLYER: You think there are no psychological problems involved at all?

Mr. LAMBERT: I have not been aware of it. I am talking about the fighting arms.

Mr. HELLYER: Oh, you are just talking support services too, because they are the ones where the maximum amount of moving around from base to base and area to area and, consequently, the most mixing takes place.

Mr. LAMBERT: But what is the net result though, on your fighting units, by putting them all in the same uniform and giving them the same rank structure?

Mr. HELLYER: When they are fighting, it does not affect—the uniforms are not affected anyway. We already have combat clothing, for example, worn by some members of the three forces—

Mr. LAMBERT: They are different depending upon their roles—

Mr. HELLYER: It is the service structure you are talking about?

Mr. LAMBERT: But they are different depending upon their roles. You are not going to put the pilot in the same sort of combat uniform as you are, say, the infantryman.

Mr. HELLYER: That is the point I wanted to make clear.

Mr. LAMBERT: They are going to be in different uniforms for that purpose. They always have been.

Mr. HELLYER: That is correct.

Mr. LAMBERT: But, what I am concerned about is that there is a case trying to be made that he will be a better man; he will have a greater loyalty to the force over-all, because he is going to be wearing a single uniform and he will be in a sing'le rank structure.

Mr. HELLYER: Mr. Lambert, not in his field environment; but let me give you an example of where it does become a problem to the middle ranking officer. We established a school of instructional techniques and middle ranking officers from the three services were brought together to work out the curriculum. They met in uniform for two days and then by agreement decided not to meet in uniform again until the curriculum was agreed.

Mr. LAMBERT: But that still does not prove, though, that in so far as the loyalty to the service, and their fighting capabilities, are going to be any better.

Mr. HELLYER: It proves that they were able to bring more objective judgment to the determining of the best possible solution to a problem without the state of individuality of the three fighting services that they come from.

Mr. LAMBERT: Well then, to carry that to its ultimate, you would have to have them appear in their birthday suits?

Mr. HELLYER: Well, I could read you a very interesting poem I have in my pocket on that.

Mr. LAMBERT: No; but with regard to this particular point, the Minister tried to make this during the debate, that there would be a greater loyalty because they were wearing a single uniform and that there would be a greater loyalty in a single, unified service, and it would be more objective in the examination of problem determination. But, surely to goodness, the airman is an airman; he is trained as an airman and he will have worked as an airman. If he is part of one of the fighting sectors of the forces, he will be an airman, and that is his training up to a certain point, and he will still be an airman.

Mr. HELLYER: You have the right point Mr. Lambert, but, I think, with deference, you are on the wrong side of the argument. It is because airmen now deal with missiles as well as airplanes and because there are alternatives to artillery, such as missiles, and because there are various systems of reconnaissance which involve systems which cut across traditional service lines, you then have to have precisely the opposite point of view from the one that you have just put forward. In other words, you have to then look at the whole piece, the whole force, rather than, as you say, the airman's view, or the sailor's view,—

Mr. LAMBERT: But this is his training and, naturally, we look to him to have this objective, but will he be less objective because he happens to be an airman, or that he is a sailor, or that he is a soldier and that he wears their uniforms. Do those things make him less objective, when he gets up at that level?

Mr. HELLYER: You know my opinion and, apparently, it is not the same as yours.

Mr. LAMBERT: Well, I must confess that this puts a rather serious reflection upon the capabilities and the objectivities of the men who have worked in integrated commands.

Mr. HELLYER: Not at all, not at all, Mr. Lambert, on the contrary. This is a wrong interpretation; but there is just no doubt that when you get to high staff levels, there is injected other factors, such as the team spirit, the service tradition, the relationship of one service to another, and so on. You know this as well. You do not really need to be told that because you have a bias yourself.

Mr. LAMBERT: But this bias, as you say, is ingrained in him by his training and his career, all the way up the line until he gets to that senior command level. This is the point that I am trying to make and I cannot see how you are going to improve that by putting him in a single uniform, by putting him under the same rank, as someone said here, a naval brigadier.

Mr. HELLYER: I hope that ultimately we will be able to convince you.

Mr. LAMBERT: Well this is the crux right here.

The CHAIRMAN: Gentlemen, before we go, I would like to announce that we did get word through to the TRIO organization and they are going to appear on Friday.

Mr. McINTOSH: Mr. Chairman, about meetings, I understood someone to say that they are meeting to-morrow afternoon?

The CHAIRMAN: Yes, after orders of the day.

Mr. McINTOSH: Well, could we have some indication of when these meetings are going to be, now, so that we can plan our other work ahead of time?

The CHAIRMAN: Well, we have this series of briefings and questionings going on now: we have this room and the staff for after orders of the day to-morrow, and on Thursday from 10 o'clock in the morning and we have the room available at 3:30 and at 8 p.m. depending upon how the questioning goes—

Mr. FORRESTALL: You are sure determined to get it over in eight days.

The CHAIRMAN: And on Friday, when TRIO is arriving at 9:30 in the morning. This is the one day we have to do it because of the early meetings.

Mr. McINTOSH: I am not finished with my questions in regard to the Minister or to the Air Marshal.

The CHAIRMAN: You can carry on to-morrow.

(Recorded by Electronic Apparatus)

WEDNESDAY, 8 February 1967.

The CHAIRMAN: Gentlemen, I will call the meeting to order.

When we adjourned yesterday there were still some questioners, Mr. Winch, Mr. Forrestall and Mr. Laniel, who had not asked questions previously, and there are now four on the list for the second round, Mr. McNulty, Mr. Smith, Mr. Fane and Mr. McIntosh. If there are others whom I have inadvertently missed perhaps they would let me know now; otherwise I will ask Mr. Winch who is the next on the list.

Mr. CHURCHILL: I have a point of order before you do that, Mr. Chairman. I thought that you might have let me ask some questions on routine matters. The first is that I want to know if we are getting a transcript of the proceedings—I understood that at the subcommittee meeting we talked about this—prior to getting the printed version? May the Committee members have a photostat of the transcript?

The CHAIRMAN: We are working on getting the transcript of the evidence out more speedily, I think, than it has ever been done before. The clerk says that we will be able to have it by the week-end.

There are some difficulties, I understand, in following the suggestion that we get the transcript photostated. However, if the members find that the procedure we are adopting is too slow we will have another look at that, if that meets with your approval.

Mr. CHURCHILL: My other question is about the number of meetings per day. I am not sure what your decision is for tomorrow, but rumour has it that you are calling three meetings. I would like to know where the authority rests for so doing?

My understanding is that the House of Commons gives permission to committees to meet while the House is in session, but it was never my understanding that that meant that you could meet continuously. It was only for emergencies.

What authority is vested in the Chairman to call three meetings a day? Is it an absolute or limited monarchy that we are under.

The CHAIRMAN: I am only following what I understand to be a precedent which has been set for some time. I did not realize that we were breaking new

ground. I was on the transportation committee and we seemed to be sitting continuously at that time. This is another government bill which is being studied.

In fact, although there are three times set aside at which we could use this room tomorrow and could have secretarial services available. I think it is our intention to meet only at 10 a.m. and 3.30 p.m. tomorrow.

Mr. FOY: There are only two days a week that you are scheduled, anyhow.

Mr. CHURCHILL: We have plenty of time because we were told yesterday that the program does not come into effect until 1972.

The CHAIRMAN: I hope that answers that question satisfactorily. We will see how we proceed.

If there are no further questions at this time, I will call on Mr. Winch.

Mr. WINCH: Mr. Chairman, at this time there are two questions I would like to put, one to the Minister and the other to Air Marshal Sharp. However, prior to the submission of my questions, with your permission I would like to make a very brief statement because others had the same privilege yesterday when I did not speak at all.

The CHAIRMAN: Mr. Winch, as long as the statement, as I believe was the case yesterday, is the preamble to a question it is quite in order.

Mr. WINCH: What I have to say, sir, is very short.

We have before us matters concerning defence policy and service organization. Yesterday I was most disturbed at the time taken on some of the questioning. I feel that the questions were very incidental and the answers very obvious, and it does appear to me that if this tactic is pursued we are not going to be able to obtain answers to the fundamentals concerning a transition from integration to unification with a single service.

I just wanted to make that statement, sir, not having said one word yesterday, or asked one question.

Mr. Chairman, having said that, I most sincerely hope that my questions will be directed to what I term are the fundamentals, and not the incidentals.

Therefore, my first question to the Minister of National Defence is this: In view of the complete rehabilitation in Europe following the second world war, and in view of the lessening of political pressure and the greater understanding between the USSR and the western democratic powers, and as the NATO agreement will come up for reconsideration, and perhaps re-signing in 1969 why has not the government, through the voice of the Minister, given any indication, either through the White Paper in 1964, or anything he has said since, of either withdrawing from NATO by 1969, or basically changing the commitment role?

I just add to that: Does the government contemplate, therefore, in view of all the statements, an indefinite and prolonged maintenance of our Canadian interbrigade and our Air Force personnel on the European continent?

Mr. HELLYER: Mr. Winch, I am quite prepared to answer this question. I would merely point out that it is related to defence policy rather than specifically to this bill.

Mr. WINCH: How can defence policy be separated from this bill or from foreign affairs?

Mr. HELLYER: In the sense that the bill is rather narrow in its application to military organization.

However, in view of the general interest in the subject, it might be just as convenient to all honourable members of the committee to extend the questioning to cover areas such as this, and if it is, I have no hesitation in attempting to answer the questions as well as I can.

Mr. WINCH: May I just say that to me—and, I think, to others—it is of the utmost importance, when considering this bill and the reorganization and our role, that we know the government's intent, as far as NATO is concerned, because of the fact that in 1969 the treaty will have to be re-signed, if we are a member.

Mr. HELLYER: First of all, Mr. Winch, if I recall the Treaty correctly—and it has been a long time since I have read it—it does not have to be re-signed. Anyone who wishes to withdraw has to give notice—and here I am speaking from memory—a year in advance of that date if they wish to withdraw at that time. If no notice is given the Treaty automatically remains in effect and the members remain as adherents to the treaty as they presently are. No one has so far indicated that they have any intention of giving notice.

The Canadian government still believes that this organization has performed and is continuing to perform, a most useful function. It was substituted really for what many of us had hoped that the United Nations would be able to do after the war; that is, to guarantee the territorial integrity and the political freedom of its member nations. When the United Nations proved incapable of performing that function, the alliance was formed by member countries who individually were not strong enough to protect themselves, but who collectively had sufficient power, when it was organized, to deter war and to prevent aggression.

The success of the alliance, I think, has been best demonstrated by the fact that since its formation not one square foot of European territory has fallen either to aggression or subversion.

It is true that since the time the treaty was signed there have been many changes in the political atmosphere in Europe; an understanding or entente is developing between the East and the West: It is also true that there has not yet been any basic settlement of the most important political questions remaining as a result of World War II, and that the Soviet Union and its Warsaw Pact powers have a very real and very effective military capability.

With the knowledge that this exists and that these are the facts, we believe that we should continue to adhere to the alliance and to do what we can to keep it strong.

Having said that, one of the most important contributions that a country of our size can make is to demonstrate that we are willing to make a contribution, not just for its military effectiveness—although this may be significant—but also to prove beyond doubt that there is a basic political solidarity amongst countries with common goals.

It is the present policy of the government, therefore, to remain not just a signatory to the treaty, but to maintain troops in Europe for the foreseeable future.

Some change is forecast, nevertheless. The White Paper indicated that we would change the role of the air division as the airplanes attrite. This is in planning. Now as we plan to move our squadrons out of France there will be some reduction; and there will be some further reduction in the years ahead in accordance with the general policy laid down in the White Paper.

This involves two things: First, a change in role, ultimately; and secondly, a modest reduction in the over-all Canadian participation of the continent of Europe.

I think I should reiterate, however, that it is felt, and felt quite strongly by the Department of External Affairs, because this is really a subject on which they should speak and have spoken—Mr. Martin has made the Canadian position clear—that it is still very important that Canada does not precipitate any weakening of the bonds between the member countries, and that we should avoid taking action which might act as a catalyst and cause a weakening of the bonds of the NATO allies.

Mr. WINCH: In view of the Minister's answer, Mr. Chairman, may I ask a supplementary question?

Why does the Minister say that Canada should not initiate? My reading leads me to believe that France has in the past 18 months deliberately taken the initiative not only of reducing the number of its own armed forces, but has also taken the extraordinary policy decision of demanding that its allies, be they American or Canadian, get out of France. France has taken the initiative, as a European country, in demanding that the USA and Canada get out of France, and American forces from France are going to England, and our forces—I understand there are two squadrons—are going to Germany.

Do you not place any significance at all on the motion for the major reduction of their forces that is going before the United States Congress? There is every indication that it will be passed.

Thirdly—because I want this all together, as part of the same question—do you not feel that we would not be maintaining what I would call morale in Europe unless we develop that of which you are so proud—a mobile force which can be moved most speedily to any section of the world if required?

How do you explain all this in view of what you have said just a few moments ago?

Mr. HELLYER: I know that there are some people in the United States who think that they should reduce their European contribution. I know that there are some other people who think that this would be a great mistake, and this includes some members of the administration. They have exactly the same outlook that we have, which is that, notwithstanding the changes brought about by the demand of the French government that American and Canadian forces be removed from French territory—

Mr. WINCH: Is that not extraordinary?

Mr. HELLYER: —it still is in the interest of the alliance, and our own, to have an integrated force in being in peace time in Europe.

I do not say that no changes can be made in that force, either in its composition or in the level of participation by the United States and Canada, but

I think it is felt that it would be desirable to make any substantial reduction in forces contingent on some solution to the political problems which exist in Europe, and that the reduction in the forces there should be related to the solution of the outstanding problems which have existed for a number of years and which have not yet been resolved.

In so far as mobile forces are concerned, I think this is a real addition to our total capability—and when I say “our” I mean the United States and Canada—to be able to reinforce the total strength in Europe, or, more particularly, on the flanks when emergency arises. I think this is a welcome addition.

On the other hand, there is in Europe a real fear that the development of mobile forces in Canada and the United States will mean that we will take our troops out of Europe and merely rely on a build-up in the event that there is a heightening of tension. There are people in Europe who are very concerned lest this should happen, because they are closer to the line between East and West than we are; and they feel its presence more acutely. They know that their real security depends on the total strength of the alliance, including the strength of the United States. For this reason they feel much more secure with United States and Canadian troops stationed in Europe on a full-time basis. What the degree of this full-time participation has to be in order to give them an adequate feeling of security is, I think, open to discussion; I am merely passing along a point of view which is very strongly held on the continent of Europe, and that is that a withdrawal of forces from this side of the Atlantic would leave them in a position where they would feel that their security might be in doubt, particularly if no meaningful political settlement has been achieved in the meantime.

Mr. WINCH: Mr. Chairman, I have just one more supplementary question to Mr. Hellyer before I ask questions of the Air Marshal. This comes to mind because of the mention of alliances by the Minister.

In view of the lessening of tension between the USSR and the western powers, in which I think great steps have been made of in recent months, can you state whether in your opinion there will be any possibility of a reduction in the personnel and the authority and the power of the Warsaw Pact group, unless a country like Canada indicates a wish for reduction in the NATO Alliance? Would not some action by Canada in this regard be a good indication to those in the Warsaw Pact of our sincerity in trying to relieve tensions and withdraw from alliances.

Mr. HELLYER: I think this question should really be directed to the Secretary of State for External Affairs. I am afraid I am not familiar enough with their political views to say with certainty what the reaction would be. My own guess is that they would not be influenced unduly one way or the other by our actions and I do not think that a unilateral move on our part would really encourage them to take reciprocal unilateral action within the Warsaw Pact.

I think that these reductions in total power have really to be negotiated by the two great powers. My own personal opinion is that the place at which they should start right now is in the anti-ballistic missile field. They are just entering on the threshold of expenditures involving tens of billions of dollars on each side in order to provide a limited defence, and the degree of limitation is something that is open to a considerable amount of argument. Here is a situation where by agreement the two great powers could limit the race at this stage.

As you know, and as the President of the United States has said, negotiations are now under way to achieve this end, and I hope they will be successful. I really do not believe that significant changes in the over-all balance can be achieved without some agreement between the two great powers.

Having said that, we are still in the position of being a member of an alliance, which requires us to make some contribution in order to show our good faith and that we are a member of good standing.

Mr. WINCH: Mr. Chairman, I will not take too long. May I now direct my second question to the Air Marshal.

The CHAIRMAN: Yes, indeed; the Minister's replies have been somewhat lengthy and have taken up a good portion of your time. Please go ahead.

Mr. WINCH: The Air Marshal said once or twice yesterday that my question was rather involved. I have written it out. Perhaps the clerk would give it to him so that he can follow it.

In your presentation which covered some two hours of the Committee's time yesterday, you stated that basically the role of Canada armed forces would be no different from what it has been in the past, and you emphasized that even with intergration and unification, we would maintain identical roles on peace-keeping and alliance commitments.

Would you, therefore, please, enlarge on your presentation, and tell this Committee how in the future our Canadian role will be changed in any way whatsoever? In other words, Air Marshal, I am asking you to tell this Committee, bluntly and plainly, whether or not we can expect any change in the role of our Canadian forces; and, if not, does it not seem strange to you that, with changing world relationships and Canada's position thereto, the only change that you suggested in your two hour presentation yesterday was in organization, not in policy, and what Canada will do as related to its financial potential?

You will note that I have written this out, too. I did that deliberately. I ask this question of you, as Air Marshal, and not of the Minister, because in my opinion—and it is only my own opinion—you made not only a factual presentation yesterday, but also a propaganda support statement on governmental policy.

I am directing the question to you because of your presentation yesterday, and I have put it before you in writing.

Mr. HELLYER: Mr. Chairman, I think that in its first part this question is strictly on policy and that I should deal with it.

The Air Marshal and all the members of the military staff take their—

Mr. WINCH: Can I ask you whether you had this submitted to you and if you did any censorship on his preparation.

Mr. HELLYER: I do not censor, Mr. Winch, I do not know who wrote your question for you, but—

Mr. WINCH: I am sorry, sir; I did this myself; I submitted it to nobody.

Mr. CHURCHILL: Mr. Chairman, may I raise a point of order?

The CHAIRMAN: We have a point of order from Mr. Churchill.

Mr. CHURCHILL: We have had a question put to the Air Marshal. Yesterday he made a statement on policy as well as on other matters. Now the Minister is intervening and he is going to answer the question on policy. Where do we stand on this? If the representatives of the department are going to make statements on policy they should be called upon to answer for those statements and the Minister should not intervene.

Mr. McINTOSH: Further than that, Mr. Chairman, I think that we should endeavour to get the Vice-Chief of Defence Staff's opinion, or interpretation, of the policy as he understands it.

Mr. HELLYER: Mr. Chairman, the roles and missions of the armed forces are set by the government—

Mr. CHURCHILL: Could I have a ruling on any point of order?

An hon. MEMBER: What point of order, Mr. Chairman? We should allow the Minister to finish.

Mr. CHURCHILL: I raised a point of order.

The CHAIRMAN: Is the Minister answering the question, or is he speaking on the point of order?

Mr. HELLYER: I am answering the question.

Mr. WINCH: I directed the question to the Air Marshal because of his statement yesterday. I hope that the Air Marshal can answer it, but I would be quite satisfied if the Air Marshal and the Minister would answer. Although I am still of the opinion that the Air Marshal made a propaganda speech yesterday.

Mr. HELLYER: I think he will deal with that question after I have answered the first part.

The CHAIRMAN: Gentlemen, on this point of order, the Air Marshal is here as a witness, and as a voluntary witness, and if he wishes to answer this question he may do so. If he does not so wish that is his affair and he cannot be forced by this committee to do so.

Mr. WINCH: But the Minister is prepared to give some answer that perhaps the Air Marshal cannot.

Mr. McINTOSH: Mr. Chairman, may I ask what you mean by a voluntary witness.

The CHAIRMAN: He was invited to come here as a witness. What I am saying is that I do not think he can be forced to answer questions.

Mr. FORRESTALL: Does he have the protection of the Committee, Mr. Chairman?

The CHAIRMAN: Yes; in so far as the Committee is able to offer any one any protection.

Mr. FORRESTALL: That is not quite good enough. We have had an example of this earlier in Committee hearings. I am concerned about the Air Marshal's future, and I am concerned about the point of order raised by Mr. Churchill. I would like a ruling.

An hon. MEMBER: This is just quibbling.

Mr. FORRESTALL: It is not quibbling at all, sir.

The CHAIRMAN: Is this a question, or shall we proceed and permit the Air Marshal to answer the question.

Mr. WINCH: And then the Minister, if he wants to add to it.

Air Marshal SHARP (*Vice-Chief of Defence Staff*): May I deal with the question as presented first, and then with the propaganda aspect of my presentation?

In the first place, I believe it is reasonable to expect the military, who have to make recommendations to the Minister, and, through the minister, to the government, to put an interpretation on government policy. I was stating our interpretation of government policy in that presentation yesterday and I believe that it was an accurate reflection of the intended government policy.

Mr. WINCH: And that means no basic change in any past role?

Air Marshal SHARP: I am coming to that, if I may.

Mr. WINCH: Thank you.

Air Marshal SHARP: The three basic roles, I believe, that I outlined yesterday, or which are implied in government policy, concerning the sovereignty of our country, are our alliances with NATO and NORAD and the troops that we may set aside for, or from time to time contribute to, the United Nations. Those are the existing roles. There will be no change in them.

However, the emphasis—in other words, how much we devote to each one of those three roles—might change.

Mr. WINCH: Where do you say in your presentation of yesterday that there is going to be a change in emphasis?

Air Marshal SHARP: It is in the presentation at least twice, or three times, that there will be a change in emphasis. I believe I also said that this did not mean that we would give up any of the existing roles, but that the change would be in emphasis.

By "change in emphasis" I mean that a larger percentage of our forces than heretofore would be of such a nature that they could contribute to United Nations peace-keeping and peace-restoring activities. In that sense we believe that the roles should change. The actual roles themselves will be the same, but the amount of total resources that we devote to each one of them will change; in that sense there will be a change.

In the case of propaganda, I wrote what I honestly believe to be government policy. I did not do it with the intention of displaying it as propaganda before this Committee. I would not try to do that.

Mr. WINCH: Before the Minister speaks could I ask just one question on this change of emphasis? May I interpret your submission of yesterday to mean that there will be no change in our personnel requirements under NATO?

Air Marshal SHARP: No, you should not interpret it as meaning that there will not be a change in personnel requirements under NATO. As the Minister has just explained, there might be a decrease in the forces that we have stationed in Europe; there might be a change in their role. I would not like to be held to the

position of saying that we will not have a change in the requirement for forces in NATO. We may well have.

Mr. WINCH: Mr. Chairman, I believe that the Minister is eager to speak on this and I would like to hear what he has to say.

Mr. HELLYER: What is the question?

Mr. WINCH: You wanted to speak on the first part of the question. You thought that it was your responsibility. I would love to hear what it is that you want to say on it.

Mr. HELLYER: Mr. Winch, when it comes to roles and missions, as I started to say earlier, it is the government's responsibility to set these and it is responsibility of the military to carry them out. The Air Marshal in his presentation very rightly outlined what the policy is now, based on the White Paper and on government policy. At the end of my presentation to the House of second reading I stated in summary form what our contributions to NATO presently were—

Mr. WINCH: Sir, I agree with that. Will you tell us now what will happen in the future?

Mr. HELLYER: —but that they were subject to renegotiation.

Mr. WINCH: What renegotiations.

Mr. HELLYER: The renegotiations have not been completed yet.

An hon. MEMBER: Have they started?

Mr. HELLYER: It is the same with NORAD. As I just said a few moments ago, we are making a reduction in the total strength of the air division this year.

Mr. WINCH: From eight to six?

Mr. HELLYER: Subsequent reductions are in our planning guidance for later on, but these have not yet been agreed. We have partners in the alliance; we have to work out with them what is best for us to do by way of contribution both from our standpoint and from the standpoint of the alliance as a whole.

I think that is about as much as one can say. We are quite prepared to receive any suggestions from this Committee, or from the House, or from individual members, about what they think we should do in the future. You yourself have often raised this subject with some passion and said that we present you with a fait accompli—

Mr. WINCH: Which you always do.

Mr. HELLYER: I have just suggested, Mr. Winch, and I have suggested it once or twice before, that that is not the case. The renegotiation is in the future, and any advice that you have to give will be most welcome now before the renegotiation is completed.

Mr. WINCH: Why do you not give us some idea of your thinking so that we can discuss it? You have never given us your thinking on matters of this nature. We are being asked to deal with a bill with the basic principle of which perhaps I completely agree, but we would like to know your thinking on the future of this bill. This bill is for the future.

Mr. HELLYER: With deference, Mr. Chairman, I have just suggested that our thinking was that (a) there would be a change in the role of the air division ultimately, as suggested in the White Paper; and (b) perhaps a reduction in its size somewhat as we go forward in future years.

That is about as much indication as I can give you, because anything beyond that would be a matter of detail.

Mr. WINCH: Mr. Chairman, I think I have used up my time, although I can think of many other questions.

The CHAIRMAN: I gather that they would be very germane to the topics before us, but if you have finished I will call on Mr. Forrestall.

Mr. FORRESTALL: Mr. Chairman, my area of questioning is a bit more mundane than the one which has been under question for the last few minutes. Although I was very impressed with the Minister's answers I share to some degree Mr. Winch's fears about exactly what it is that the Minister and the government have in mind for a 10-year projection. I could ask similar questions about the navy, but I will not ask the broad questions.

Perhaps this question is one that the Minister should deal with, but I will leave that to the Air Marshal or Mr. Hellyer to decide.

Halifax finds itself in the peculiar economic position of having an over-dependence upon defence and defence-critical industry. I am wondering if, in any of your interpretation, or projected planning under this new bill and its ramifications, you conceive of any further major reduction in either direct naval or supporting services strength? I will use the Halifax complex as the example, but I am talking generally of military complexes in the Maritimes.

Air Marshal SHARP: We have not completed working out our new force structures, and part of the decision on that concerns base rationalization from a purely economic point of view, in relation to the economics of the department. It is obviously more economical, if we can to operate from a few bases than from a large number, because we cut down on overhead. That is our general aim. However, we cannot make a decision concerning base rationalization until we work out our force structures. We have not yet done this.

Mr. FORRESTALL: At what point in your projection will that take place? Will it be sometime during 1967?

Air Marshal SHARP: The planning for this will be proceeding during 1967. Even if we do close some bases we obviously cannot do it in 1967, and I doubt very much if any, or very many, of them could be closed in 1968. So that at least we are talking within that time period.

Mr. FORRESTALL: Thank you, Air Marshal.

I have drawn the inference that the Minister has suggested that indeed a base consolidation program is under study.

Air Marshal SHARP: Yes, sir.

Mr. WINCH: May I ask a supplementary? I ask permission because I think it is on something of paramount importance which could be answered by the Minister. This concerns B.C. and Esquimalt. Could you say whether or not parochial or provincial economic considerations should have overbearing and major consideration in the establishment of defence policy?

Mr. HELLYER: Do you think that they should have, Mr. Winch?

Mr. WINCH: I, personally? I do not think that parochial or provincial considerations should have an effect on the over-all Canadian defence policy. Protection should be given, but there should be nothing parochial about a decision on whether or not certain establishments be built or maintained. That is my honest opinion about that.

Mr. HELLYER: First of all, the defence staff are given the problem of trying to operate the largest possible force with the least amount of money, and it is only natural that in their investigation they look at the possibility of base consolidation as one means of saving money. Their recommendations naturally are considered on their merits and all factors have to be taken into consideration.

For example, there is the length of time it takes to amortize new facilities if they are required at another base in order to make real savings. In most cases some new construction is required, and the cost of this has to be amortized. This is one factor that has to be considered. Also, by the time the recommendations get to the defence council level, for consideration by the Defence Staff and the two Ministers, certainly if all things are equal then the kind of problem that has been raised by Mr. Forrestall is one that has to be worked into the equation.

So far as the Halifax area itself is concerned, it is somewhat singular in many respects—

Mr. FORRESTALL: If I might interject, Mr. Hellyer, it is singular in the sense that some 27 per cent of our labour force is very directly and very acutely involved, whereas in Vancouver, with all deference, it is only 2 per cent.

Mr. WINCH: Esquimalt.

Mr. FORRESTALL: Well, the Vancouver complex is what I am talking about. It is only 2 per cent.

Mr. HELLYER: I appreciate this, and what I was going to say was going to be of some comfort to you.

Mr. FORRESTALL: Thank you very much; that is what I am looking for.

Mr. HELLYER: If I may refer again to the projection which was included in the tables at the end of my speech on second reading, the size of the fleet for the years from now until 1975 is pretty well determined. When I say "pretty well determined" I mean it is just about as determined as anything can be. Therefore, assuming that the division between the two coasts remains more or less proportional to what it now is, there would be, as you suggest, no reduction in the Halifax area. There has also been some increment there as a result of the establishment of the Maritime Command vis-à-vis the west coast and that part of it is more popular in Halifax than it is in Victoria. Therefore, I think that in Halifax and Esquimalt the minimums are pretty well set by the force structure for the fleet for the next 10 years, which is known pretty precisely.

Mr. FORRESTALL: Mr. Hellyer, one of the things that concerns us—and perhaps we could have it cleared up here and now—is the statement allegedly made by the Chief of the Defence Staff, General Allard, while he was out on the west coast, in which he indicated very strongly that the role of the navy would be reduced to one of sea-lift support.

Mr. HELLYER: First of all, the Chief of Defence Staff did not say this. It was just an allegation. I think someone put that interpretation on it.

I would like, on his behalf, to deny it and to say that there is no truth in it at all.

Mr. FORRESTALL: This is a supplementary on something which was brought up by Mr. Winch. Would the Minister wholeheartedly support, endorse and agree with, the statement made a month and a half ago to community and civic leaders in the Halifax complex—particularly, I think, in the city of Dartmouth—regarding the future of bases such as Shearwater?

Mr. HELLYER: Which statement is this?

Mr. FORRESTALL: It was the statement—and I can only paraphrase it—in which he gave assurances to the civic community leaders that there would be no undue economic impact from base consolidation in the Halifax area.

Mr. HELLYER: I think this is the fact. It is perhaps not fair to single out Halifax and say, "You are all right", and leave the impression that some other areas are not, but, as I have indicated, because of the singular nature of the Halifax area and the proportion of the fleet which is stationed there, I think that is a fair statement.

Mr. FORRESTALL: All right; I will now get back to move mundane questions.

Earlier last year, because I was concerned about it, I asked the Associate Minister of National Defence if he could tell me about the cost of the change-over in uniforms. The question I asked was what the total cost of initial clothing would be. The Associate Minister very kindly replied that it was a three-part question. I was curious about the dollar value of the stock on the shelves and about what would eventually happen to the stock. I think you dealt with that partially in your evidence yesterday.

Perhaps Mr. Cadieux could expand on this but he suggests that a uniform jacket and trousers cost \$40; an issue to each WO2 and below in the regular force would necessitate approximately 86,000 uniforms and would cost some \$3.4 million. How does this compare with your current thinking on the cost of re-equipping the services with uniforms. I am not suggesting that \$3.4 million is not an awful lot of money, but do you suggest that this is all that it will cost to supply new uniforms?

Air Marshal SHARP: I am afraid that I do not have the costs for uniforms readily available.

Mr. FORRESTALL: As this is put in the singular sense, how many uniforms will there be? Will there be one issue or two issues? Will they have one and another they can send out for dry cleaning, and perhaps another on the shelf?

Air Marshal SHARP: The point I was going to make is that these new uniforms are going to be introduced over a period of time, and they will replace the uniforms that are wearing out now. These would have to be replaced anyhow, and therefore they will be replaced by new uniforms.

Mr. HELLYER: Assuming that the stocks of existing uniforms are used up, the main difference in cost would be in the different quality of the cloth.

Mr. FORRESTALL: That would be the only additional expense?

Mr. HELLYER: That is as far as I know.

Mr. WINCH: From the chart that was shown yesterday, am I correct that this will not be completed until 1971?

Air Marshal SHARP: I am not quite sure where it is on the chart, but if that is what it said about uniforms that is what we are planning on, yes.

Mr. FORRESTALL: Therefore, it is not a significant factor in your planning, as far as dollars and cents go?

Air Marshal SHARP: I am not saying that there will not be some cost, because there is always cost associated with developing prototypes and that sort of thing; but I do not look upon that as being significant.

Mr. FORRESTALL: Air Marshal, yesterday you were asked some questions about our strength on the east coast. Again I am referring to the Maritime Command, and I will still call it the RCN, if I may, for another week or so. There was one supplementary I wanted to ask, but we got off on some other point; I think Mr. Macaluso enlightened and entertained us for a few moments.

Consideration must have been given to the fact that certain ships of the foreign fishing fleet are capable of being converted immediately to mine-laying. Have you considered this, and what we would do with the type of vessel we have now in the event that any of these fishing vessels were ever used for that purpose?

Mr. MACALUSO: On a point of order, Mr. Chairman. I do not want to take credit for a statement which Mr. Fane made. Credit should go to him for this fishing boat scheme.

Mr. FORRESTALL: Oh, you injected something. I know it was Mr. Fane who raised it.

Air Marshal SHARP: I am not too sure to what extent I can divulge this information in an open hearing.

Mr. FORRESTALL: If it is a matter of policy perhaps I could rephrase the question. I certainly do not want to lead you into any such areas at this stage.

I would hope that at some point we might have an in camera meeting, Mr. Chairman.

Do you now have any mine-sweeping capacity in the RCN?

Air Marshal SHARP: Yes, we do; but I do not want to give the impression that the mine-sweeping capacity which is there right now is large, because it is not.

Mr. SMITH: I would like to ask a supplementary to that last question, if I could. What capacity do we have to deal with the trawlers if they suddenly started on a military excursion of some kind?

Air Marshal SHARP: I believe we could deal with a great number of those trawlers under those circumstances.

Mr. MCINTOSH: Mr. Chairman, may we interject with supplementaries at any time? I think we all have questions.

The CHAIRMAN: I think we can, because it does not seem that things are getting out of hand at all. Do you have a question, Mr. McIntosh?

Mr. McINTOSH: I have several on topics that have already been covered.

The CHAIRMAN: I have you down on my list for the second round.

Mr. WINCH: Could I ask a supplementary on what has just come up? This matter of trawlers and their being able to patrol interests me.

I would like to ask the Air Marshal this question, or perhaps it should be the Minister because it concerns policy. I understand our Tribal-type ships are in moth balls. Has any consideration been given to what has been raised by my hon. friend from Halifax and also by another, of perhaps converting these Tribal class, or at least some of them, for safety purposes at sea, official inspection and perhaps looking after, in the eventuality of trawlers outside, instead of having them in moth balls. Has this ever been considered?

Mr. HELLYER: I do not know that it has, Mr. Winch. I really think our anti-trawler capability is pretty good and will certainly improve when our new tactical air squadrons are formed.

Mr. WINCH: I am thinking of the usage of these very good travelling ships, perhaps in a new phase, as part of either the navy or coast guard. Would they not greatly add to our efficiency in the navy, perhaps for training purposes in Halifax and so on?

Mr. HELLYER: I think this would be a fairly expensive solution.

Mr. WINCH: It would.

Mr. LANGLOIS (*Chicoutimi*): It would be cheaper to unify the trawlers.

Mr. CHURCHILL: Do you mind if I ask a very short supplementary. Was Mr. Lee correct in saying that the navy destroyer escorts are expensive, useless ships?

Mr. HELLYER: I would like to see that quotation from something he would have said.

Mr. CHURCHILL: It is in the *Toronto Telegram* of February 6.

Mr. HELLYER: That would still leave me in the position of wanting to see the original quotation.

Mr. FORRESTALL: This has to do with my next question. I am curious as to when the Department of National Defence expects they will be able to call tenders for our four new DDHs.

Mr. HELLYER: Perhaps Commodore Porter would have that. Do you know the answer to that question?

Mr. FORRESTALL: Perhaps the Commodore could give us the reply, Mr. Chairman.

The CHAIRMAN: He is not here as a witness and I would not like to open this up any further. Are you just about finished?

Mr. FORRESTALL: I have had exactly 6 minutes and I cannot quite tell whether it is 32 or 42 seconds.

Mr. HELLYER: Mr. Chairman, it is our anticipation that we will go to tender later this year.

Mr. FORRESTALL: Do you mean, by that, in the fall?

Mr. HELLYER: I would say the fall, yes.

Mr. FORRESTALL: Air Marshal, are you confident that you have the trained personnel to man these ships; and are you confident that Maritime Command will be up to strength, not only numerically but in terms of adequately trained men. Of course, this is a projection and it will be some time before they are actually in service; and I understand they are at staggered intervals. Are you confident that the end of this year will see the RCN back in the position where they do not have to perpetrate the great hoax not only on the Department of National Defence but on the Canadian public and others that was perpetrated on the Chief of the Defence Staff during his last visit to three of those ships?

Air Marshal SHARP: As long as, in answering that question, I do not become associated with your comments about hoax, yes, I am confident that they will be able to man these. You have put your finger on a very important point and that is that it is not only numbers, particularly in the case of the navy; it is not only trained people but highly technical people who will be required, and these are difficult people to retain. They are not too difficult to recruit and train, but they are difficult to keep in the service because their skills are in demand in industry.

Mr. FORRESTALL: Yes, I understand that those responsible have been tearing their hair out. It might be an interesting question to ask how many of these poor gentlemen have had to have psychiatric treatment in the last 18 months. They are very vitally concerned about it, and I am sure you are too. You are confident that we will have adequate and well-trained people to man both the *Bona-venture*, when it comes out, and those ships that are tied up at Shearwater now?

Air Marshal SHARP: Yes, I believe we will. I do not want to imply, however, that this is going to be easy.

The CHAIRMAN: Mr. Forrestall, I do not know where you got your six minutes a moment ago. I have you down here as starting at 4.15, according to my watch.

Mr. FORRESTALL: Yes, Mr. Chairman, but there have been interjections. I have left this last question until the end because I doubt very much whether the Air Marshal would have the specific information. However, he might be able to make it available to members of the Committee. I would like to have, if possible, the enlistments and discharges both by commissioned and non-commissioned ranks for each of the three services during the past year. Also, if this information is available, the number of ships in actual commission on the east and west coast, or those ships that are under the Maritime Command's authority. If that information could be made available to us, it would be appreciated.

Mr. HELLYER: Do you mean under commission at the present time?

Mr. FORRESTALL: Yes, under commission and which the Maritime Command could be put to sea within 48 hours notice with a fully trained crew. I am only interested in knowing just how badly off the Maritime Command is in terms of adequately trained men, and I can recognize your difficulties.

Mr. HELLYER: You realize that under the cyclical system of manning, that the ships are in different states of readiness at all times, and that this was done quite deliberately by the previous Maritime Commander in order to work out a system which would be more advantageous to the ships' crews.

Mr. FORRESTALL: Yes, this is quite true, but I think you also realize that the ships tied up at the jetty at Shearwater are not in any state of readiness; they are simply there because we do not have trained crews for them.

Mr. HELLYER: I think that you will appreciate that some ships will always be tied up under the cyclical system, except in an emergency.

Mr. FORRESTALL: Because we do not have a crew?

Mr. HELLYER: No, no, because the crews are part of a cycle which involves their—

Mr. FORRESTALL: Do we now have trained crews for these ships that are tied up?

Mr. HELLYER: We can find that out for you.

Mr. FORRESTALL: This is what I wanted and I think the Minister will understand the area of my question.

Mr. HELLYER: You should realize that with this system of manning you would always have some ships in that state, unless you were to put them out for a special exercise or to test their total capabilities.

Mr. FORRESTALL: Thank you. I will come back later. I could go on for hours.

Mr. LANIEL: Mr. Chairman, I have a few questions for the Air Marshal. From your brief and the answer you gave to the Committee I have the impression that you are convinced that unification will permit Canadian forces to meet more easily the objectives of Canadian government defence policy as laid down in the White Paper. At page 14 you indicated three significant and major policies that go with the present program as defined in the White Paper.

First, you mention unification of the services, and in your presentation you said first: integration leading to unification; second modernization of our management methods and procedures and third a changing emphasis in roles with greater priority to be placed on the ability to quickly contribute military forces to trouble spots throughout the world and relatively lesser on military resources designed solely for participation in all-out nuclear war.

Do you feel that these three policies which I have just mentioned are so interlocked that they could not be singled out; and could the second and third one, let us say the modernization of management and procedures and the change of emphasis, be implemented with the same effectiveness and spirit with only integration to look forward to from the forces point of view.

Air Marshal SHARP: I do not believe that. I believe that to carry this program to the point where you want to receive maximum benefits from it, you must unify the forces.

Mr. LANIEL: My second question takes us back to page 1. On this page you enumerate a number of aims and goals you wish to attain by unifying the forces. I wonder if you could tell me and the Committee which one could be reached

with integration alone and which one with integration and unification combined. Let us take the first one, which states:

We hoped firstly to be able to reduce overhead costs, and costs for non-operational activities so that we could devote a larger percentage of our budget and resources to operational functions, particularly the procurement of modern operational equipment.

Can this be reached with only integration?

Air Marshal SHARP: No sir.

Mr. LANIEL: The second one reads:

We hoped to change the top level decision-making process so that the resources that were devoted to operational functions in the different services would be compatible.

Can this be reached with only integration?

Air Marshal SHARP: No sir, it cannot.

Mr. LANIEL: How come?

Mr. McINTOSH: May I interject Mr. Sharp. You said "no" to both these questions. Would you elaborate and tell us why not?

Mr. LANIEL: Mr. Chairman, I have a point of order.

The CHAIRMAN: I think it is only fair to the questioner, Mr. McIntosh, to have him continue and then we can come back to you. I see you are on shortly, and you could then ask for some elaboration.

Mr. LANIEL: The third one reads:

We hoped to organize our forces in such a way that optimum advantage could be taken of the latest advances in science and technology, unhindered by arbitrary divisions in missions between the three services.

Can this be attained by only integration, or do we need both to reach that goal?

Air Marshal SHARP: We need both to reach that goal as well.

Mr. LANIEL: The next one states:

In keeping with the recommendations in the Glassco Commission Report we hoped to modernize our management processes and to create an organization shaped to facilitate this.

Can this be attained by integration only?

Air Marshal SHARP: It might.

Mr. LANIEL: Again I quote:

We wanted to build more flexible forces—

and so on. Do you think our forces could be made more flexible with integration of command and integration at the decision level at Headquarters?

Air Marshal SHARP: No, I believe the chances of it being more flexible would improve with unification.

Mr. LANIEL: And the last one states:

—we hoped to provide our personnel with more satisfying careers by giving them wider employment opportunities—

Do you think that integration is sufficient to supply these possibilities?

Air Marshal SHARP: No, I do not.

Mr. LANIEL: My next question, Mr. Chairman, is related to page 24, where you said in the fifth paragraph and I quote:

We are giving ourselves a thorough overhaul to make us much more flexible and effective operationally and to bring us up to date in every respect. I doubt if any other large organization in Canada has ever undertaken a housecleaning of anything like this magnitude.

Do you feel that the organization of our armed forces needed a major overhaul?

Air Marshal SHARP: I think there is always room for improvement—and this applies to any organization—and in that sense, yes, it did need an overhaul.

Mr. LANIEL: Do you say then that if it had not been for integration and unification it would not have been possible to make this overhaul.

Air Marshal SHARP: No. You could have done the overhaul but the results that you would have obtained from it would not have produced the same beneficial result that we are getting by unification.

Mr. LANIEL: At page 23, you say the views of our servicemen are being sought and considered. You even say that their views are valuable and that you use them. How deep do you go in respect of consultation. You go to the NCOs or even to the forces in general.

Air Marshal SHARP: Right to the bottom.

Mr. LANIEL: Then, concerning the proposed rank badges and all that, you mention a percentage of 90 per cent. Do you think that, generally, the figure of 90 per cent applies to the percentage of the servicemen that favour unification.

Air Marshal SHARP: If I were a statistician I could answer that question accurately, I suppose. I am not sure that one could argue from a statistical point of view that 200 is a valid sample. It was an honest attempt to give as valid a sample as we could and I think that it does reflect the views fairly well.

Mr. LANIEL: Before in your brief you mentioned that 6,000 people were involved as a determining factor.

Air Marshal SHARP: Yes, but in the one case—in the case of rank badges,—this was a specific question, and we wanted comment on a specific single item. In the case of the 6,000, this was a much broader list of subjects that we wanted to get views on.

Mr. LANIEL: Do you think that the question of badges and uniform is more important to the servicemen than the challenge of unification?

Air Marshal SHARP: I do not think that one could really give a general answer on this. I think that the uniforms, the names of the ranks and the form of the rank badges are much more important to some people than others; and I think other people, on the other hand, are more concerned with the type of job they are doing, whether it taxes their capabilities and so on.

Mr. LANIEL: Is that influenced by the age of the serviceman?

Air Marshal SHARP: I do not know. I would not say so—well, possibly the younger serviceman, because he has not been in a particular uniform for a long time, probably would be more interested in the challenge and the equipment he is working with. I suppose in that sense, age would affect it.

Mr. LANIEL: Do you not think that a single uniform will eliminate the barriers between the three services and will even encourage—I do not think that is very easily done now—in some cases, a transfer of servicemen from one branch of the service to an equivalent branch in another service? I do not envisage, at this stage, that a gunner who is unhappy in the Navy, would transfer to the Air Force or the Army; he probably would try to get out of the Navy because he has been attached to only one service and would not like to go back and start over again.

Air Marshal SHARP: At the moment that is the only way he could do it, except by a special assignment. He has to get out.

Mr. LANIEL: Do you feel that there is any danger of our forces being put off balance during the process of these major changes in the case of a surprise major conflict.

Air Marshal SHARP: No, I do not.

Mr. LANIEL: What effect will unification have on the co-operation of our forces with the forces of other countries who have the three services?

Air Marshal SHARP: I would say that in most situations it does not have an adverse affect nor does it have the opposite; there is no significance.

Mr. LANIEL: Yesterday, I thought I understood you to say that to postpone a decision before detailed planning is completed would be a mistake, or something like that.

Air Marshal SHARP: No; I said that would delay obtaining the benefits.

Mr. LANIEL: Also, you said that to delay unification merely postpones the day where we would realize the full benefits. By "benefits", do you mean advantages, improvement, effectiveness, renewal of armament and equipment and all that.

Air Marshal SHARP: Yes, I do.

Mr. LANIEL: I will not be too much longer, Mr. Chairman.

Then you agree completely with the last paragraph on page 24 without any reservation.

Air Marshal SHARP: That is true.

Mr. LANIEL: I continue: We are trying, with reasonable budget limitations, to create a military force which can keep up with the many significant advances that are taking place in science—a force which will be useful in terms of future political crisis that may develop throughout the world. Do you agree with that general statement at the end of your presentation, without any reservation?

Air Marshal SHARP: That is correct.

Mr. LANIEL: I will skip my other question, Mr. Chairman, because it concerns policy.

The CHAIRMAN: Mr. Smith is next.

Mr. LANGLOIS: Is this on the second round?

The CHAIRMAN: This is on the second round.

Mr. LANGLOIS: May I ask a couple of questions before we finish the first round.

The CHAIRMAN: Yes; go ahead.

Mr. LANGLOIS: I would like to ask the Air Marshal a question first. Yesterday, Mr. Harkness seemed very worried about unification because Canada would be the first country to try it and so on. As a bright young officer yourself and in the name of other bright young officers and men in the Canadian Armed Forces, what do you think of that. Do you think it is impossible to do this, or do you think it has a chance to succeed? Do you think this is the right attitude for a young dynamic country like Canada to take?

Air Marshal SHARP: I not only do not think that it is impossible; I think that it is possible. Obviously, I think that it is possible to do what we are setting out to do, and I am enthusiastic about the good result that we will get from it.

Mr. LANGLOIS: I would like to refer this question to the minister. Following Mr. Harkness' questioning yesterday in which he was trying to create doubts about unification just because we are the first country to do it, do you think it could become as bad as when Canada was the first country in the world to have family allowances, sir?

Mr. HELLYER: Well, Mr. Chairman, it is a different kind of baby, but I really think that Canada already has shown leadership in a number of areas and that we have the right sized country and the right kind of people for doing things which are worthwhile and showing that they are worth doing. Naturally I disagree with the point of view that we should not undertake anything until some other country in the world has done it. If we did that, that would be a negative approach and I tend to lean in the opposite direction, as you know; I think that we should move out front wherever we have the ideas and the people to do so.

The CHAIRMAN: Thank you, sir. May I call on Mr. Smith.

Mr. SMITH: Air Marshal, I would like to direct some questions concerning the time-table of integration and unification. Am I right in assuming from your statements and the statements of the minister that so far as National Defence Headquarters is concerned, integration and unification have been pretty well completed, and it is largely now a matter of changing uniforms.

Air Marshal SHARP: I am not quite sure just how broad you intend that question to be. From the point of view of the shape of the organization—

Mr. SMITH: The shape and the personnel.

Air Marshal SHARP: Yes, from the point of view of the shape of the organization, this is largely completed although there will probably be some further smaller changes as we gain experience with the organization.

Mr. SMITH: Well, substantially. For instance, I was comparing this morning the old National Defence Headquarters directory with the new telephone directory, which is sometimes a useful source of information, and the only place that I could see that there had not been very substantial changes was in the areas of the Director of Naval Personnel and Records, and so on.

Air Marshal SHARP: Correct. As I tried to explain yesterday, in the personnel functions we cannot make the changes that we want to make until we have the statutory authority.

Mr. SMITH: Well then, substantially, it will be a matter of sort of changing uniforms and titles.

Air Marshal SHARP: Well, that, the change in the personnel organization and their procedures, and so on.

Mr. SMITH: Are the various commands substantially in the same position?

Air Marshal SHARP: Yes.

Mr. SMITH: It is just a matter of changing ranks and uniforms?

Air Marshal SHARP: Yes, but with this exception: In the case of the Canadian Forces Headquarters, there are three personnel Branches; in the case of some commands, there may not be three—Maritime Command, for example, is mainly two, Training Command is three; Mobile Command is mainly two.

Mr. SMITH: I phoned Camp Borden the other morning and the switch-board operator answered: "Civilian Personnel Officer". There is only one there now and she still said, "Army or Air Force?"

After you have received the legislative authority of the amendments, what will be the first thing that we will notice? Will it be the new form of enlistment?

Air Marshal SHARP: That will be one thing that will be put into effect, yes.

Mr. SMITH: How soon can we expect to have the people enlisted under the new form of enlistment?

Air Marshal SHARP: As I understand it—and I am certainly not an expert on Acts of Parliament—this is enabling legislation.

Mr. SMITH: Yes.

Air Marshal SHARP: There would then have to be a proclamation; we then would work to the plan that I tried to explain to you yesterday, and put each one of these things into effect in accordance with the timetable that we believe to be correct.

Mr. SMITH: Well, in respect to this particular one, when will people be enlisted under the amendment.

Air Marshal SHARP: I do not know, sir, because I do not know when the proclamation will take place.

Mr. SMITH: Well, will it be this year?

Mr. HELLYER: Mr. Smith, the last time we discussed this question, it was considered by the staff that three or four months minimum would be required after legislation, had been passed to do those legal and technical things required

before the act would be proclaimed. I think that is about right. Then once that part of the act has been proclaimed which amalgamates the three services into one service, you would then start at once recruiting into the new service.

Mr. SMITH: Will it be this year?

Mr. HELLYER: I would certainly hope so.

Mr. SMITH: Have the new terms of enlistment been settled yet?

Mr. HELLYER: I cannot answer that question. We are going to have the Chief of Personnel here tomorrow and he might know the answer to the question. I know they are working on all this kind of detail, but it takes a considerable amount of time because some of it is pretty complex.

Mr. SMITH: I think this is one of the key situations. Then in the meantime you will enlist people as they are now being enlisted.

Mr. HELLYER: Until proclamation.

Mr. SMITH: And those people will still have the same right not to be transferred.

Mr. HELLYER: That is correct.

Mr. SMITH: So that for the next four or five months any recruits will have their old rights?

Mr. HELLYER: That is correct.

Mr. SMITH: In other words, if you want to join the navy, do it now.

Mr. HELLYER: Well if you want to join the navy do it as soon as you can. You are welcome any time.

Mr. WINCH: Under the bill as such, anyone already in the Service or who joins while this goes on, has the right to stay in the service he is in.

Mr. HELLYER: I do not think that is quite the right interpretation, Mr. Winch. It is that he would not be required to undertake, without his permission, employment which he would not have been required to undertake in the service of his original enlistment.

Mr. WINCH: I would like to ask a supplementary question. Suppose this Bill goes through as it is; a young man wants to go into the service, but he only wants to be, let us say, in the Navy. Does this new principle of unification mean that if he wants to go in the service, he has got to go where he is put or can he say, "I want, on recruitment, to go into the Navy"? This is one question I am being asked. Can you give me an answer? Can he express a service preference?

Mr. HELLYER: The chief of personnel will have the answer to this tomorrow, but my understanding is, that it would be the same as it is now, for example, if someone going into the Airforce says, "I would like to be a pilot", if he is not acceptable as a pilot, he is allowed to go out.

Mr. WINCH: No, I am not interested in that. Can they go in to the branch they want to? If a man wants to be a sailor, can he be one?

Mr. HELLYER: Right, but this is precisely the same principle. If they insist on a particular employment, the answer is yes.

Mr. WINCH: Thank you. That has not been made clear.

Mr. HELLYER: You could not operate a voluntary force any other way, anyway. The only way you can operate a volunteer force, is if the employment is satisfactory to the person wishing to enter.

Mr. WINCH: Yes, but do not swear him in, and then say, "You are going here." He is going to know when he is sworn in that if he wants to go into the Navy, he can go into the Navy.

Mr. HELLYER: It is not very difficult to get out, even if he is sworn in.

Mr. WINCH: Well I do not know.

Mr. SMITH: Then sometime later this year we are likely to see enlistment start under the new system. Would ten months be sufficient time?

Mr. HELLYER: Assuming the honourable gentlemen in the Opposition are as co-operative as I am sure they will be, this is the case. That is what we are hoping for.

Mr. SMITH: Well then, what will be the first visible thing, Air Marshal, that we will see in respect of unification, after the amendments have been proclaimed? Will it be this new form of enlistment?

Air Marshal SHARP: Yes, I would think probably that would be the first.

Mr. SMITH: Regarding materiel command and supply, the problem, according to your chart, was defined in 1966?

Air Marshal SHARP: Yes.

Mr. SMITH: And the consultations, both civilian and military, are going forward now. When will we see some visible changes in the supply system?

Air Marshal SHARP: This is a rather lengthy one; I am not sure of the exact date, but I would say about 1970 or 1971.

Mr. SMITH: Is it not in materiel and supply that we are going to make a very substantial part of our savings from unification?

Mr. WINCH: May I ask if there is any difference between materiel and supply, or are they one and the same thing?

Air Marshal SHARP: I think in this sense we are using them in the same sense. Completion of the new supply system will be in 1970-71, when the computerised integrated supplies system will be introduced. In the meantime, Materiel Command may be able to consolidate supply depots. However, I am not too sure about that because they are now working out their plan on this and we have not received it yet or, if we have, I have not seen it. But the supply system, which is what I think you are thinking about, will be completed and operating as a new and single supply system in, I would say, 1970 or 1971.

Mr. SMITH: Is this not one of the areas from which the main savings will be derived?

Air Marshal SHARP: It is an area in which we will make a significant saving, yes. There are also other areas where we will make significant savings.

Mr. SMITH: Where?

Air Marshal SHARP: Training command.

Mr. SMITH: If I have time, I would like to come back to training commands. In the meantime there will be a fairly heavy expense in Materiel Command for the purpose of purchasing the new system?

Air Marshal SHARP: Yes, that is correct.

Mr. SMITH: Has your plan of 1970-71 taken into consideration the time lag that there will be between the ordering of the computer and the delivery.

Air Marshal SHARP: Oh yes sir, the checking out of the program, de-bugging it and so on.

Mr. SMITH: So that in supply and materiel the savings that we hope to make for new equipment will come probably later than 1971.

Air Marshal SHARP: Toward the end of the total program.

Mr. SMITH: And in the meantime we have to find money somewhere to buy some new equipment from other sources?

Air Marshal SHARP: That is correct.

Mr. SMITH: Has the mobile force structure been determined?

Air Marshal SHARP: A fair amount of detail has received approval in principle at defence council, yes.

Mr. SMITH: How many battalions do you propose to have in Mobile Command?

Air Marshal SHARP: Thirteen.

Mr. SMITH: And how many of those battalions now have sufficient personnel to bring them up to war establishment?

Mr. HELLYER: I think, on the question I was asked by Mr. Harkness yesterday, that the policy apparently is not to give the individual establishments by battalion—and this has been the policy for some time—but the overall strength of the battalions is 84 per cent of the total establishment. And interestingly enough, the present establishment is higher than the war time establishment.

Mr. SMITH: But that, as you know Mr. Minister, can be a very misleading figure.

Mr. HELLYER: I do not say that it necessarily means that the level of manning is the same in each one, because it is not. It has been a long established policy, and I think there is good military reason for this, not to give strength figures by unit, because this is the kind of information which is of some significance to some of those interested in having it.

Mr. SMITH: Significance is doubtful, but I will not press the point. However, you will agree that an overall percentage figure can be very misleading in relation to their combat effectiveness?

Mr. HELLYER: It might be, although I think it gives you an indication. To give you some sort of yardstick, in the summer of 1962 the percentage was 85 per cent on exactly the same basis, so it is practically the same proportion of the total now as it was.

Mr. SMITH: So that in combat they could be equally ineffective today as they were four years ago.

Mr. HELLYER: Well, that is one way of putting it; I would put it the other way around.

Mr. SMITH: Or as equally effective.

Mr. HELLYER: I think you have to add, Mr. Smith—and this is very important; I am sorry now that I started to answer the question—that the introduction of the armoured personnel carriers and other equipment would give them a much greater effectiveness today than we had then, with the same manpower.

Mr. WINCH: I have just one supplementary question. Does the Air Transport Mobile Command come under Mobile Command? Is it completely integrated?

Air Marshal SHARP: Not the strategic airlift; it comes under Air Transport Command. The tactical airlift and the CF-5 will come under Mobile Command.

Mr. SMITH: How much actual integration has there been in the training schools in the service?

Air Marshal SHARP: There has been integration in instructional schools for instructional technique, in management training schools, some of the officer training schools, some of the construction engineering trades, the staff schools, and there might be one or two others.

Mr. SMITH: What about, for instance, recruit schools?

Air Marshal SHARP: Not yet.

Mr. SMITH: What about driving schools?

Air Marshal SHARP: Not yet.

Mr. SMITH: Not yet?

Air Marshal SHARP: I am sorry, I am not too sure about driving schools; I cannot answer that question.

Mr. SMITH: Has there been an estimate?

Air Marshal SHARP: In the case of recruits, the Navy and the Air Force women personnel are now trained on the same base at Cornwallis.

Mr. SMITH: But there has not been any actual physical integration in the training of recruits in the three services?

Air Marshal SHARP: No.

Mr. SMITH: When is it contemplated that that integration or unification will take place?

Air Marshal SHARP: We will work up to this gradually, and I think very carefully too. If I remember the plan correctly, we intend to start a small pilot course, I believe this summer, to see what the problems are associated with this kind of training, and to test out a syllabus that is now being drawn up. If this is satisfactory I would think that by the summer of 1968 it could start on a large scale.

Mr. SMITH: This is recruit training?

Air Marshal SHARP: Yes.

Mr. SMITH: Let us go one step up the ladder from recruit training to trade training.

Air Marshal SHARP: I cannot give a general answer to that because it depends completely on the trade. In some cases there will be no integration training of trades at all because the trades are unique to—

Mr. SMITH: I am not talking about the esoteric trades; I am referring to the sort of basic trades such as welding, motor mechanics and field work.

Air Marshal SHARP: The main problem in getting on with this is the question of the facilities. We cannot really get on with this until we decide on the basis rationalization program, which we spoke of earlier, and this is what is holding us up. We would be able to do it from the point of view of syllabus much sooner than that, but it depends on being able to create or decide on what facilities we are going to use.

Mr. SMITH: So we will be well into at least 1968?

Air Marshal SHARP: I would say in most cases, yes, although there might be some that will start before that. I have mentioned one, construction engineering, in which the Army and Air Force already have been brought together.

Mr. SMITH: What is your ultimate date for the completion of the integration of the common-to-all arms trade training.

Air Marshal SHARP: It is 1971 or 1972.

Mr. SMITH: As late as that?

Air Marshal SHARP: Yes, sir.

Mr. HELLYER: There is one reason for this, Mr. Smith, which is relevant, namely the amount of funds available for new capital construction. If we had unlimited funds for capital construction so that we could provide the new facilities necessary for the consolidations, I think—and the Air Marshal can correct me if I am wrong—we might have been able to wind that up in a few months. But if you take into account the amount of funds available, this means a slightly elongated period to accomplish what you want to achieve.

Mr. SMITH: So that will be more money diverted from the purchase of new equipment.

Mr. HELLYER: It is all capital.

Mr. SMITH: It is capital, which is new equipment—and it will not be completed until about 1971 or 1972. As far as I can gather, unless there was a substantial reduction in our commitment in NATO, then the amount of money that is going to be available for buying new equipment until 1971, from the savings of integration and unification, is going to be very limited.

Air Marshal SHARP: No, I do not think it is fair to draw that as an absolute conclusion. In general, I suppose you are correct, but we do set aside, each year in our budget, a certain amount of money for capital expenditures for new facilities, buildings, and so on. We are trying to spread out this construction program and keep within this budget so that the remainder can be used for capital expenditure for fighting equipment; therefore, we will not have to wait four or five years before we start buying and paying for our capital equipment.

Mr. SMITH: Yes, that is right. However, if your training schools are not going to be integrated the savings are going to be reasonably modest, even in terms of national defence expenditures, until 1971 or 1972.

Mr. HELLYER: You are talking about the additional savings, not those that we have already managed.

Mr. SMITH: Yes, additional savings, and they are going to be fairly modest between now and 1971 or 1972. If we make any major equipment purchase the funds are going to have to be found outside the savings effected by integration and unification.

Air Marshal SHARP: That is a fair statement.

Mr. SMITH: Thank you.

Mr. CHURCHILL: What proof has there been of any saving on integration and unification, Mr. Smith?

Mr. SMITH: I am sorry, I did not hear you.

Mr. CHURCHILL: What proof has there been of any saving on this integration and unification?

An hon. MEMBER: Do you want to question the member and dismiss the witness?

Mr. CHURCHILL: No. I am giving him a question to ask the witness.

Mr. HELLYER: Mr. Smith mentioned one: the reduction from two personnel officers to one. There are others.

The CHAIRMAN: Mr. Fane?

Mr. FANE: May I forego my questioning at this time, Mr. Chairman?

The CHAIRMAN: Well, we have only one other questioner at the moment and that is Mr. McIntosh.

An hon. MEMBER: Carried.

The CHAIRMAN: Mr. McIntosh?

Mr. McINTOSH: Mr. Chairman, my questions, with one exception, are confined to pages 1 and 2 of the Air Marshal's presentation. As he realized, I was greatly concerned with the restrictive base open to the government on which to form a national policy implied in his statement yesterday. I refer to the statement contained in page 2, where he says:

Assuming that one wished to maintain modern military forces, there were only two possible courses of action—*increase the budget, or reduce operating and maintenance costs.*

Air Marshal, was your whole presentation based on that preface?

Air Marshal SHARP: No, I would not say that my whole presentation was based on that.

Mr. McINTOSH: Would you agree with the premise now, after what was said yesterday, that there is only the two courses open to you?

Air Marshal SHARP: Yes.

Mr. McINTOSH: You still think there are only two courses open to you.

Air Marshal SHARP: Based on the assumption that I made, yes.

Mr. McINTOSH: Then, is it right that this whole plan of unification was based on that assumption?

Air Marshal SHARP: No, sir.

Mr. McINTOSH: What else then was it based on?

Air Marshal SHARP: It was based on a need and a desire to have economical forces to expend the government's money as effectively and as efficiently as we could, no matter what the size of the forces. I have made this assumption based on the fact that we are going to continue with the present commitments as outlined in the White Paper, and do this with modern equipment. Then, under those circumstances, and if we are going to live within that budget, this is the only way that we can do it.

Mr. McINTOSH: You said yesterday that you had only recently come to your present position, and this assumption—

Air Marshal SHARP: I am sorry, I did not say yesterday that I had only recently come to my present position; it is true but I did not say it.

Mr. McINTOSH: Well, you inferred it by saying in answer to something that was asked in regard to unification, that this was designed before you took your present position. This what I mean.

Air Marshal SHARP: O.K., I am sorry.

Mr. McINTOSH: Did you originate this assumption or was it handed down to you by your predecessors or by the Minister?

Air Marshal SHARP: I originated it.

Mr. McINTOSH: You originated it.

Air Marshal SHARP: I wrote this paragraph.

Mr. McINTOSH: No; I am talking about the assumption on which you base your whole presentation.

Air Marshal SHARP: I do not remember anybody handing it down to me. I do not know that anything is entirely original. As far as I know, I originated it.

Mr. McINTOSH: Well, could I ask you this question: Why were these other courses that were referred to yesterday afternoon by Mr. Brewin and myself—and I refer to my reference to the course open to France and the one that she adopted—rejected?

Air Marshal SHARP: I believe there were two other courses mentioned yesterday.

Mr. McINTOSH: Well, there could be seven.

Air Marshal SHARP: I want to make sure that I understand what you are talking about when you say "other courses." One course was that you would give up some commitments and therefore reduce the total per cent level of spending I believe.

Mr. McINTOSH: That is right.

Air Marshal SHARP: I think I would argue, under these circumstances, that even if you gave up commitments or increased the commitments and made a

corresponding increase or decrease in the budget, unless one took some steps such as we are suggesting here to reduce the percentage of the total budget,—that you would soon price yourself out of existence. You have to find some way of reducing what has been an increasing percentage of the total budget devoted to operations and maintenance. This was reaching the point where all of your costs were devoted to operations and maintenance and nothing was left for new equipment. It really had nothing to do with the size of your budget; it applies to any size budget, unless specific action was taken to cut down overhead.

Mr. McINTOSH: What you are concerned with as Chief of the General Staff, is the fire power of your forces. Actually France has found that by using nuclear weapons her fire power has been increased, and she has reduced her force by about 50 per cent.

Air Marshal SHARP: Yes, but we have roles assigned to us by our government, roles in which, obviously, you cannot use nuclear weapons. I am thinking of the United Nations peacekeeping-peace restoring, so we cannot resort to depending exclusively on nuclear weapons.

Mr. McINTOSH: That is right, and you have other roles. First of all, do you believe in continental defence?

Air Marshal SHARP: Yes.

Mr. McINTOSH: And in collective defence?

Air Marshal SHARP: Yes.

Mr. McINTOSH: And you have commitments to those alliances.

Air Marshal SHARP: To NORAD—

Mr. McINTOSH: To NORAD and to NATO?

Air Marshal SHARP: Yes.

Mr. McINTOSH: After that commitment has been fulfilled with our force, what have we left in regard to a force?

Air Marshal SHARP: Well, in the case of the Air Force the commitment to NORAD is the squadrons of Air Defence Command; in the case of NATO, the commitment of the air force concerned, the Maritime aircraft, and the Air Division. What we have left is a transport force.

Mr. McINTOSH: A transport force only.

Air Marshal SHARP: That is right, in the case of the Air Force.

Mr. McINTOSH: And nothing left in the Navy after the commitments to NATO are fulfilled.

Air Marshal SHARP: I believe that our commitments to NATO, in the case of the Navy, do not include all of our ships; I believe there are some left over.

Mr. McINTOSH: Have we any protection for our coastal waters, either west or east?

Air Marshal SHARP: Against what?

Mr. McINTOSH: Against anything.

Air Marshal SHARP: We do not have any protection for our coastal waters against, for example, sub-launched ballistic missiles once they have been launched.

Mr. McINTOSH: Is that provided for in any way in our alliance?

Air Marshal SHARP: There is no deployed protection against these kind of missiles that I am aware of.

Mr. McINTOSH: Have we committed the defence of our coastal waters to any other foreign power, for example, the United States?

Air Marshal SHARP: No.

Mr. McINTOSH: On page 2, Air Marshal, you made this statement:

In the context of the present world situation, however, we need forces in being and there may be no time for expansion.

I assume you are referring here to the forces that were not committed, as I said before, in our collective defence.

Air Marshal SHARP: Yes.

Mr. McINTOSH: What role do you see for those presently uncommitted—in other words, the remainder of the Canadian forces in the event of a total war.

Air Marshal SHARP: I did not mean to exclude those forces which were committed; the statement also applies to them. We are creating, and have, in Mobile Command, forces which can be used at the call of the United Nations or other organizations, if our government so wishes. Under the many circumstances in which one can visualize these being used, they would have to react fairly rapidly if they are going to be effective. The longer one waits in getting troops on the ground, the more this sort of a situation deteriorates and escalates into a nastier situation. In my opinion, the key is to have forces that you can get there rapidly. I am not too sure that it makes much difference whether it is a large number, but I think the key and important thing is to get them there fast.

Mr. McINTOSH: The point I am trying to make is that once you have committed your forces to an alliance force, or these alliance forces, then what control do you have over those forces after war starts?

Air Marshal SHARP: After an all-out war starts?

Mr. McINTOSH: Yes.

Air Marshal SHARP: This is a matter for the government to say, but I would believe that the government who commits its forces to an alliance also has the right to withdraw them any time it wishes. It probably would not be in its interest to do so, but you do maintain sovereignty in that sense.

Mr. McINTOSH: But you have committed command also, have you not, to the commander of whatever alliance you have committed your forces to?

Air Marshal SHARP: Yes, you assign forces under certain circumstances to the command and control, say, of NORAD.

Mr. McINTOSH: Yes.

Air Marshal SHARP: The country has the power and the right to withdraw those forces at any time, as far as I know.

Mr. McINTOSH: But I mean in the event of a war.

Air Marshal SHARP: Yes.

Mr. McINTOSH: Your job then apparently does not exist because you have given your forces to this alliance under another command to use as they see fit.

Air Marshal SHARP: I am just a staff officer anyway, but my job would not exist as an operational commander because they have been committed; you are quite right. But the job continues to support and train any remaining forces.

Mr. McINTOSH: Well, actually we have nothing left after our commitments are fulfilled, have we?

Air Marshal SHARP: Yes, we have.

Mr. McINTOSH: What have we left?

Air Marshal SHARP: Quite a bit of Mobile Command is left.

Mr. McINTOSH: What would be the role of that force?

Air Marshal SHARP: That really would depend on the circumstances under which we were fighting. If it was a big all-out war, that is one thing, it is a middle-sized war, it is another, and if it is a small peacekeeping force it is another; it really does depend on the circumstances. I do not think one could answer that question; I could not anyway.

Mr. McINTOSH: On page 1 you mention this peacekeeping force, and you say:

...it is government policy to create meaningful forces for peacekeeping/peace restoring.

Peacekeeping, I assume, relates to the role being carried out by our present forces in Cyprus, or roles such as that.

Air Marshal SHARP: Yes.

Mr. McINTOSH: What is meant by peace restoring?

Air Marshal SHARP: That goes a little step farther; if they have to go in and try to separate—

Mr. McINTOSH: Are you talking about a contemplated force, say, under the command of the United Nations, like in a police role?

Air Marshal SHARP: Yes.

Mr. McINTOSH: Is it your intention to develop this command?

Air Marshal SHARP: It is one of the reasons, yes. One of the hopes that we have concerning Mobile Command, is that it will have forces available which can be assigned to United Nations command if they wish, and if our government agrees, or to the command of any other organizations that our government agrees to.

Mr. McINTOSH: You are coming to the point that I am trying to get at in respect of this Mobile Command that you talked about. Do you see any other role for them other than, say, such a role as you have outlined?

Air Marshal SHARP: Yes; another role of Mobile Command is the protection of our own land, should it be needed.

Mr. McINTOSH: Protection from what, aggression?

Air Marshal SHARP: Protection from lodgements; improbable as it sounds, I do not think we can ignore the possibility.

Mr. McINTOSH: I think you will agree with me that it is taken for granted at the present time that Canada has no enemies. Why then the statement in your second paragraph, as follows:

It is therefore Canadian Government policy...to provide...forces which will be useful in preventing small confrontations from escalating into major war.

Do you mean by this that you anticipate that we will send our force, say, to some other country to stop a war?

Air Marshal SHARP: We have them in Cyprus now, yet Cyprus is not our enemy.

Mr. McINTOSH: This is the only role that you see; there is nothing else behind this?

Air Marshal SHARP: No, sir, if I understand your question correctly.

Mr. McINTOSH: I am trying to find out if we have hidden roles that we are not divulging.

Air Marshal SHARP: If that is what you are asking, the answer is no.

Mr. McINTOSH: Well, I may say that because of the interpretation the government members apparently take from the White Paper of 1964, and the interpretation that perhaps, some of the opposition members take, we are suspicious there may be something else you are reading into it; something we cannot read into it.

Now, in the fourth paragraph at the bottom of page 1, you say:

We hoped...to reduce overhead costs, and costs for non-operational activities...

And devote more funds to the operational functions. Now what do you mean by the non-operational activities?

Air Marshal SHARP: Public relations, including those—

An hon. MEMBER: Training?

Air Marshal SHARP: Yes, I include training in that.

Mr. McINTOSH: You are going to reduce the cost of it?

Air Marshal SHARP: Yes, I think it will.

Mr. McINTOSH: Referring to those same paragraphs, at the second last paragraph on page 1, you said:

We hoped to organize our forces in such a way that optimum advantage could be taken of the latest advances in science and technology...

Does this, in any way, mean the acquisition of nuclear arms for our forces?

Air Marshal SHARP: No, I did not have that in mind at all when I wrote the paragraph.

Mr. McINTOSH: What did you have in mind when you wrote that?

Air Marshal SHARP: An example that comes readily to mind is the question of drones which are becoming so complicated they are just unmanned airplanes. If we have two commands, each of which could legitimately claim that this was their piece of equipment, and two services each were saying this, I think the chances of reaching a rational decision concerning the acquisition of this weapon would be less than if you had one command where it clearly belonged, thus avoiding this sort of conflict. That is just an example, of course.

Mr. McINTOSH: I think yesterday you also said that one of the reasons you did away with some of these command structures and had a single command, was so you would not have the constant fight between the heads of these different commands about who should get the equipment. Will this still not take place—it seems they are not going to change the three forces—at maybe a lower level?

Air Marshal SHARP: Yes, if I gave the impression that by the new command structure we would be doing away with competition, I am sorry; I did not mean to give that impression. What I do believe it is necessary to do away with now is competition between two commands which have a split responsibility for the same kind of role. If I may use the old Maritime Air Command and the Navy as examples, basically the main role of both was the same—anti-submarine warfare. They were competing for the same weapons; practically for the same role. It should be obvious that it is much more economical to place all this activity associated with a particular role under one command, and not have two competing for their kinds of weapons.

Mr. McINTOSH: You are still going to have the heads of the Navy—the pressure group, if I may use that word—pressuring the command that they report to for the same weapons, are you not?

Air Marshal SHARP: The head of Maritime Command, since he is now responsible for this total role of anti-submarine warfare, will always look objectively at the assessment of which weapon is better, the one that goes on the Argus, or the one that goes on the destroyer. He is going to be held accountable for being able to accomplish this role—completely accountable. He can make this assessment. He is the only man, as an operational commander, being held accountable for this, where previously there were two.

Mr. McINTOSH: Air Marshal, I notice that three of the last four paragraphs on page 1 start with the two words, "We hoped"; I would insert here instead, "we intend". The use of the words "we hoped" would convey to me that you had some doubt in your mind that these objectives can be accomplished, or that they are not now feasible for some reason.

Air Marshal SHARP: If you read the third paragraph, you will see I am projecting myself back to when the integration and unification started. At that time we hoped. I would accept your amendment, however, that "we intend" is more appropriate.

Mr. McINTOSH: At the bottom of page 2, you say:

To reduce this overhead in headquarters a single top level headquarters, Canadian Forces Headquarters, and a new command structure was put into effect.

How would the Canadian Forces Headquarters function in the event of a direct hit on the headquarters in the opening salvo, say, of any type of war? Is a reserve headquarters provided for? What would happen?

Mr. HELLYER: It would depend on who was in the headquarters at the time it happened.

Mr. McINTOSH: What I am getting at is, is there not a danger in this centralization that you are trying to bring about? The reason I ask this question is that there is a reserve, at NORAD and I think it is one of the principles of any military person to keep something in reserve.

Air Marshal SHARP: Yes, a part from the creation of one headquarters, the three separate headquarters were also all in Ottawa. Integration did not change this. There is, however, an alternate headquarters.

Mr. McINTOSH: There is an alternate headquarters?

The CHAIRMAN: Mr. McIntosh, I wonder if we could dwell upon it here—

Mr. McINTOSH: I have only a couple of short questions.

The CHAIRMAN: All right.

Mr. McINTOSH: Could I ask you, Air Marshal, how many command headquarters were eliminated in your reorganization, and also how the personnel who were eliminated by this were absorbed into the present force?

Air Marshal SHARP: From memory, I think five were eliminated.

Mr. HELLYER: That is right.

Mr. McINTOSH: Where did the personnel go?

Air Marshal SHARP: I would have to look at almost every transfer that took place, but obviously they were placed in jobs in headquarters which remained.

Mr. McINTOSH: They were absorbed into the—

Air Marshal SHARP: As you know, there has been a reduction in strength and probably some were released.

Mr. McINTOSH: My last question again relates to something touched on by my colleague across the way. What is the meaning of the last line of page 24?

...in terms of future political crises that may develop throughout the world.

Air Marshal SHARP: If you check back to the years immediately following the world war II, when we were concerned mainly with the direct threat from Russia and the confrontations in Berlin, I doubt if we could have visualized at that time events occurring, say, in Cyprus or Africa which would be of such significance that the United Nations would have to send troops to these areas. The conclusion I draw from that is this tendency might continue, and because of the economic developments and the awakening of the so-called backward countries, there may be further situations throughout the world where the United Nations would want to intervene, or help out. What I am saying is that it used to be a direct confrontation between the major powers, but now it seems that we are going to get involved in other areas as well; that is what I meant.

Mr. McINTOSH: My last question then, Air Marshal, is with regard to the reply that you gave to my colleague here, in connection with the last three

paragraphs on page 1, when you said, no, these things could not be brought about unless we had unification. Will you elaborate on why you think it could not have been brought about?

Air Marshal SHARP: I will do so if you wish. I elaborated in some detail yesterday, but I can go over it again if you wish.

Mr. McINTOSH: I am concerned about why you think it could not be brought about in some other way, without unification. I have tried to determine what unification means. At the present time I am convinced that it means two things: a new uniform for the forces, and the elimination of "Royal" from the Navy and from the Air Force. From the meaning of unification I got yesterday, that it now means "legislative" or, as the Minister outlined in his speech in the House—I forget the terminology he used—it is almost impossible to define. I am sincerely trying to find out what the Minister or the Department means by unification, and I cannot find out. I cannot find out why it is necessary, when a "no" was given to things that I think could be brought about without unification.

Mr. HELLYER: Mr. McIntosh, I think I did give an answer to that question once before in the House in that the bill really relates to the question of whether the units, and men and women, of the three services will continue to be held—if you want to use that term—in three different services, or in one. This is the legislative dividing line which the Air Marshal referred to yesterday. It is this artificial barrier, as he described it, which is eliminated by this bill if it is passed by Parliament.

Mr. McINTOSH: Well, I still have not got it. I understand what you mean by integration; I understand what you mean by doing away with certain of these command headquarters and staffs, and that still, to me, is integration which we have agreed with. But this term "unification", as I said, may have one more meaning to it after the Minister's explanation, and that is a holding unit for those who have not decided which force they want to go into.

Mr. HELLYER: I would not want you to misinterpret my—

The CHAIRMAN: Mr. McIntosh, I think in the interests of the rest of the Committee we should leave this. We have spent 25 minutes on it. We could come back to you again afterwards.

Mr. ANDRAS: Mr. Chairman, I did not get in on the first round of questions; would you permit me one supplementary question following on Mr. McIntosh's comments?

The CHAIRMAN: Yes, Mr. Andras.

Mr. ANDRAS: My question is to the Minister. In connection with the names for forces and units, is there any intention, for instance, to remove unit titles, such as the Royal 22nd, and the Queen's Own Cameron Highlanders, at a unit level?

Mr. HELLYER: No, the unit names remain, and you will see in the bill it is provided that the units of the three forces, as they exist at the time of proclamation, become the units of the new force.

Mr. ANDRAS: Thank you.

Mr. HELLYER: So that, in effect, there is no change in unit names.

The CHAIRMAN: Mr. Deachman?

Mr. DEACHMAN: Mr. Chairman, first I want to ask a question supplementary to what Mr. McIntosh has just asked and one which I think might help a little to solve the question of what unification is. If I may, I want to preface my question to the Air Marshal with two short paragraphs from an article which appeared in *Brassey's Annual*, 1966. This is a British publication which has a quasi-official status and is regarded in military circles, I think about as highly as *Jane's Fighting Ships*. This is a story appearing on page 286, entitled: "Does Britain Need and Can We afford Three Air Forces?" it is by Group Captain A.V. Rogers, AFC. These two short paragraphs are as follows:

In Borneo our helicopter force is being provided by three separate Services, Army, Navy and Air Force. It is controlled by the Air Force in what passes for a joint army/air operation. The Army and Navy helicopters are commanded by the senior representative of these Services in the theatre. In the tactical area the Army helicopters are a law unto themselves and are used more or less at the instigation of the local Army commander. The tactical deployment of helicopters is dictated to some extent by the Service to which they belong. It is not uncommon to have incompatibility of communications, and this was particularly prevalent in the early days of the operations. In some cases the Army Scout helicopters are under-employed whilst the Whirlwinds are over-flown and vice-versa.

The Services providing the helicopters work to different operating procedures, have different provisioning and different servicing patterns. The aircrew wear different coloured uniforms, have different terms of service and prospects, and in the narrowest sense different loyalties: and they are the product of three different flying training programs. Last, but not least, there are eight different types of helicopters operating in the area, with all that this means in the provisioning of spares. Broadly speaking it works, but in spite of, rather than because of the system.

My question to you, Air Marshal, is this: is not unification an attempt on behalf of the Canadian Armed Forces to escape from that very kind of thing?

Air Marshal SHARP: Yes, sir.

Mr. McINTOSH: Mr. Chairman, may I interject here and ask Mr. Deachman a question with regard to this quotation and this author? Is there a footnote at the bottom of the page, like the one at the bottom of the page of the book the minister asked me to read? I think it was *Weeks' Equipment*, or something like that—it was an article on unification—and the footnote after I read it all, said, I know many will say I am flying a kite and it can be shot full of holes.

Mr. DEACHMAN: No, there is no such footnote here.

Mr. McINTOSH: It is just one man's opinion.

Mr. DEACHMAN: Well, it is the opinion of a man who was in the theatre and who had to cope with those things and, I think, probably a pretty legitimate opinion.

Mr. Chairman, I have one little question which I want to tag on to the questions asked by Mr. Smith a moment ago and that is, how much is being recovered—I think perhaps the minister can answer this best—from the sale of

properties made available from consolidations and the reduction of operating expense of these, because this is an item in the expenses that we are looking at?

Mr. HELLYER: I do not have the up to date figures in my mind—perhaps someone here has them—but we can get them for you for tomorrow.

Mr. DEACHMAN: Is this a considerable factor?

Mr. HELLYER: Well, we have recovered several millions of dollars, both from equipment and from surplus property, and I think the significant thing is that the arrangement we now have with the Treasury Board provides a very strong incentive to the staff to dispose of properties and equipments which are really surplus. There is no incentive in keeping them because we are able to use the funds for other higher priority items. This is a good tool of management and certainly, I think, is well received by the staff; it does bring us considerable benefit.

Mr. DEACHMAN: One question was asked by Mr. Forrestall with regard to the direction Navy equipment was taking when he asked about the construction of the four DDHs and these, I believe, are only one part of a considerable program of naval construction which was mapped out and given to members of the Defence Committee in a paper entitled, *Selected Major Equipment Items—1966-67*. I wondered whether we are continuing to develop some of the other very considerable programs mentioned in the sheet which was provided to us, including the \$160 million for the DDHs, the bulk of which is to be spent after 1967; the *St. Laurent* Class conversions, of which \$30 million is already spent—we have already spent that one. There are also the operational support ships—two operational support ships of a *Provider* type to be spent after 1967. Are these programs still going ahead?

Air Marshal SHARP: Yes, sir.

Mr. DEACHMAN: Then there is \$56 million for the *Restigouche* conversion program, the bulk of which is to be spent after 1967. Is that still going ahead?

Air Marshal SHARP: Yes, it is still in the program.

Mr. DEACHMAN: Of that I think there is something over \$7 million to be spent this year. There are the *Oberon* submarines which is a program of \$49 million of which approximately \$26 million was spent last year, I believe, with some \$7 million or \$8 million to be spent this year and the balance after 1967. Is that going ahead on schedule?

Air Marshal SHARP: Yes, that is still in the program.

Mr. DEACHMAN: The *Bonaventure* refit—

Mr. SMITH: What does that mean? Is it still in the program?

Mr. DEACHMAN: After 1967.

Air Marshal SHARP: Well, I put it that way because I would not want to be held to the precise figures quoted here as being spent each year.

Mr. DEACHMAN: Now, when I say “still in the program,” I mean simply that we are not going to end up with two *Oberons* instead of three. This is what I am talking about here. We are still talking about three *Oberon* submarines which are still in the program and still coming forward.

Air Marshal SHARP: Yes, sir.

Mr. DEACHMAN: The *Bonaventure* refit is an item of \$8.2 million of which approximately \$6 million to \$7 million will be spent this year. Is that correct?

Air Marshal SHARP: Yes, sir.

Mr. DEACHMAN: There is a naval research ship for which the item is \$9.2 million, with approximately \$2 million to be spent this year and the rest beyond 1967. Is that still in the program?

Air Marshal SHARP: Yes, sir.

Mr. DEACHMAN: Then there is the mid-life program on the Tracker aircraft which are to be updated with new ASW gear and that is a \$10 million or more program, of which over \$5 million is to be spent this year. Is that taking place?

Air Marshal SHARP: Yes, it is, but in this particular case I would not want to confirm the precise number of aircraft.

Mr. DEACHMAN: I see. The Sea King helicopters was a program of \$89 million of which \$58 million was spent last year and the balance is going forward at the rate of about \$17 million or \$18 million this year. Is that correct?

Air Marshal SHARP: Yes.

Mr. DEACHMAN: Then there is the surveillance drone and I suppose that is really multi-service in its uses.

Mr. CHURCHILL: Did the Department give you these figures?

Mr. DEACHMAN: No, I think they were given to every member of the Committee. I do not get any special equipment, sir. I keep what I have; I read it and look after it. I am here to question the Air Marshal on it and I am finding it very interesting that so much of this is in the program and going forward. I am delighted to see what is being done for Halifax and I am only sorry that Mr. Forrestall is not here because I know he would be equally pleased. I am sure he will read the testimony with interest and be overjoyed at what is being done for his city of Halifax, and to be provided with this information that the Navy is not really turning into a transport navy but is receiving all this equipment for the defence of Canada. I know you, sir, have the same feelings and will be glad to see this brought out.

There are the non-directional sonobuoys to cost about \$5 million in 1967. Is that correct, sir?

Air Marshal SHARP: Yes.

Mr. DEACHMAN: Also there is an active sonobuoy system of about \$2 million the bulk of which has already been spent.

There is the Argus program, which is also part of Maritime Command, of about \$5.5 million about half of which will be spent by the end of this year. Is that correct, sir?

Air Marshal SHARP: Yes, sir.

Mr. DEACHMAN: There is the Neptune improvement program amounting to about \$2.8 million, of which about \$1 million will be spent by the end of this year.

Air Marshal SHARP: I would like to say again sir, that I would not like to be held to these precise figures. This program has not been changed. These costs go up and down—mainly up—so I would not like to be held to these precise figures.

Mr. McINTOSH: That was your answer to all the questions that have been asked here.

Mr. DEACHMAN: Air Marshal, do you have the feeling that these costs will be substantially less than what I have said, roughly equal to them, or perhaps more?

Air Marshal SHARP: More.

Mr. DEACHMAN: I have items on torpedoes here: four programs of \$4.6 million, another one of \$11.6 million and another of \$27.4 million. Are all these programs still going forward.

Air Marshal SHARP: Yes, that is correct.

Mr. DEACHMAN: Thank you very much, sir.

The CHAIRMAN: Is that the end of your questioning, Mr. Deachman?

Mr. DEACHMAN: Those are the end of my questions.

Mr. CHURCHILL: I will ask a few questions if I have the time to do it.

Yesterday I asked for figures—this is for the benefit of Mr. Deachman and other members of the Committee—on the war establishment and the peace establishment, and I thought that with everything going so rapidly in national defence these figures would have been supplied first thing this afternoon.

The Minister talked about the strength of the thirteen battalions and gave us a percentage figure, but in a written question in the House some time ago he gave a total figure—not percentage—and I made a comparison. I estimated then that there was a shortage on the average in those thirteen battalions of between two and three hundred men each. Now the Minister shields and says he cannot give us the exact figures. What purpose is being served by this Committee if we cannot get figures like this? We hear Mr. Deachman give all sorts of figures on expenditures and he discloses to the Russians what we are spending our money on, but I cannot find out how many men we have in the services and whether our forces are up to strength or not, and I ask the question with regard to the Army, the Navy and the Air Force.

Mr. DEACHMAN: Mr. Chairman, on a point of privilege, if the Russians did not read that in the estimates ages ago they were not as smart as Mr. Churchill.

Mr. HELLYER: Mr. Churchill, the answer to the question on the infantry battalions is that the total figure of officers and men at the end of November 1966, is 8,674.

Mr. CHURCHILL: Well, why not at the end of January? Do you not get a daily parade state on these fellows?

Mr. HELLYER: We try to keep as up to date as possible, Mr. Churchill, but I would not want to give you any information that has not been checked and double-checked, both manually and by the computer.

Mr. CHURCHILL: What are you under strength then? You have given me the figure of strength for November, but what are you under strength?

Mr. HELLYER: Well, as I told you it was 84 percent, so if you are good at mathematics, you can figure out what the establishment is.

Mr. CHURCHILL: Well, with your computers and everything, I thought I could get this.

Mr. HELLYER: The other question that was asked yesterday was in respect to ships. It is not easy to generalize in the overall manning of ships at Maritime Command but the shortage of men in certain trades has made it necessary to man some ships at a level where they are not assessed to be fully effective operationally. Some of the ships so manned are in refit. The others are being used for trials and training of officers and men, and proceed to sea as required to carry out these tasks. The remaining 75 percent of our post war destroyers are manned to 100 percent of peacetime operational establishment. With this background to give you some perspective, manning of the fleet today is at the level of approximately 85 percent of war operational establishment. This is for the post world war destroyers.

Mr. CHURCHILL: What about the Air Force?

Air Marshal SHARP: The Air Force is meeting all of its commitments. Flying hours are being maintained and there is not any shortage that has an effect on its ability to meet its commitments.

Mr. CHURCHILL: I thank you very much for the answer but it sounds like a ministerial answer.

Air Marshal SHARP: The answer is between 90 and 95 percent.

Mr. CHURCHILL: Maybe Mr. Deachman could get these figures for us; he is better at this than I am.

Mr. HELLYER: Mr. Chairman, it might also interest Mr. Churchill to note that on January 3, 1958, in reply to a question on page 2822 of *Hansard*, the answer was given that at that time the ships of the fleet were at 70 per cent of the wartime complement.

Mr. CHURCHILL: Well, I thought things had changed.

Mr. HELLYER: Well, they have improved considerably and that is the point I am trying to make.

Mr. CHURCHILL: Here we are in a Committee on Defence and we cannot get the figures with regard to personnel, but we can get the figure with regard to ships and ammunition and everything else.

The CHAIRMAN: I think the answer there, Mr. Churchill, is that the figures for those came out of *Hansard* whereas these others may take a little time to get.

Mr. CHURCHILL: In other words, you are telling me that the Vice Chief of Staff, the Chief of Staff and the Minister do not know from day to day the strength of our forces. They are three months behind.

Mr. HELLYER: No, we were not saying that at all, Mr. Churchill. I would not want you to come to this conclusion.

Mr. CHURCHILL: Mr. Chairman, the question that I wanted to raise was with regard to the chart on DND expenditures. I know we have not the time to deal with it now, but if you would permit me to raise that at the next meeting, I

would like to. I would like proof to be shown specifically, in dollars and cents, that unification has effected savings, rather than a reduction in personnel in our armed forces. I would like exact proof with regard to that chart and where we stand on it, because the claim is made that it is integration and prospective unification that are going to procure the money to divert to capital expenditures. Up to this moment I have had no proof that any such saving has been made but there is ample proof, by the loss of 23,000 people from our services and from the civilian staff, that money has been made available for other purposes. Now, that is not unification or integration, and I would like to have proof on that for our next meeting. If the Department cannot supply it, perhaps Mr. Deachman will help me out.

Mr. DEACHMAN: I will be glad to help you, Mr. Churchill.

The CHAIRMAN: Gentlemen, Mr. Brewin has some questions that he would like to ask, but you can see the hour and perhaps we could wait until tomorrow. Tomorrow at 10 o'clock we have asked Air Marshal Reyno to attend and at 3.30 in the afternoon, General Dare. I think if we are able to finish with these two officers and the questioning afterwards there will be no need to continue with the late 8 o'clock meeting, but we will see how it goes.

Mr. McINTOSH: We are still going to have the opportunity to continue questioning the present witnesses?

The CHAIRMAN: Yes.

Mr. MACALUSO: Do you mean that the other witnesses will be here as well as the present witnesses?

The CHAIRMAN: I think it would be useful if we had these figures. Let me suggest that we start off with Air Marshal Reyno at 10 o'clock and carry on with his questioning and then we will come back to the present witness. Have you any other suggestion?

Mr. MACALUSO: That is fine.

The CHAIRMAN: The meeting is adjourned.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations and/or a translation into English of the French.

Copies and complete sets are available to the public by subscription to the Queen's Printer. Cost varies according to Committees.

Translated by the General Bureau for Translation, Secretary of State.

LÉON-J. RAYMOND,
The Clerk of the House.

HOUSE OF COMMONS

First Session—Twenty-seventh Parliament
1966-67

STANDING COMMITTEE
ON

NATIONAL DEFENCE

Chairman: Mr. DAVID W. GROOS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 16

THURSDAY, FEBRUARY 9, 1967

Respecting

Bill C-243, An Act to amend the National Defence Act
and other Acts in consequence thereof.

WITNESSES:

The Hon. Paul Hellyer, Minister of National Defence; Air Marshal F. R. Sharp, Vice Chief Defence Staff; Air Marshal E. M. Reyno, Chief of Personnel; Major General M. R. Dare, Deputy Chief Reserves; Brigadier W. J. Lawson, Judge Advocate General; Air Commodore G. F. Jacobsen, Commodore D. S. Boyle, Personnel Branch, Group Captain A. McCaig, Director of Budget, Canadian Forces Headquarters.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1967

STANDING COMMITTEE ON NATIONAL DEFENCE

Chairman: Mr. David W. Groos

Vice-Chairman: Hon. Marcel Lambert

Mr. Andras,	Mr. Harkness,	Mr. McIntosh,
Mr. Brewin,	Mr. Langlois	Mr. McNulty,
Mr. Churchill,	(Chicoutimi),	Mr. Nugent,
Mr. Deachman,	Mr. Laniel,	Mr. Rochon,
Mr. Fane,	Mr. Latulippe,	Mr. Rock,
Mr. Faulkner,	Mr. Lessard,	Mr. Smith,
Mr. Forrestall,	Mr. Loiselle,	Mr. Winch—(24).
Mr. Foy,	Mr. Macaluso,	

Hugh R. Stewart,
Clerk of the Committee.

¹ Replaced Mr. Éthier on February 9, 1967.

ORDER OF REFERENCE

HOUSE OF COMMONS,
THURSDAY, February 9, 1967.

Ordered,—That the name of Mr. Faulkner be substituted for that of Mr. Éthier on the Standing Committee on National Defence.

Attest.

LÉON-J. RAYMOND,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

THURSDAY, February 9, 1967.
(23)

The Standing Committee on National Defence met at 10:05 a.m. this day with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Andras, Brewin, Churchill, Deachman, Éthier, Fane, Forrestall, Foy, Groos, Harkness, Langlois (*Chicoutimi*), Laniel, Lessard, Loiselle, Macaluso, McIntosh, McNulty, Rochon, Rock, Smith and Mr. Winch (21)

Also present: Mr. MacRae and Mr. McLelland.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Honourable Léo Cadieux, Associate Minister; Air Marshal F. R. Sharp, Vice Chief Defence Staff; Air Marshall E. M. Reyno, Chief of Personnel; Brigadier W. J. Lawson, Judge Advocate General; Air Commodore G. F. Jacobsen and Commodore D. S. Boyle of Personnel Branch, Canadian Forces Headquarters.

The Minister introduced Air Marshal Reyno, Chief of Personnel who read a prepared statement and copies were distributed. It was agreed to incorporate the charts used during the briefing into the Evidence. The Minister and the Chief of Personnel were questioned about the policies, organization and functions of the Personnel Branch.

On motion of Mr. Forrestall, seconded by Mr. Foy,

Resolved,—That the Committee authorize payment of reasonable living and travelling expenses of the three officers of the Tri-Service Identities Organization invited to appear as voluntary witnesses on Friday, February 10, 1967.

At 12:25 p.m. the Committee adjourned until 3:30 p.m. this day, when the questioning of previous witnesses will be continued.

AFTERNOON SITTING

THURSDAY, February 9, 1967.
(24)

The Standing Committee on National Defence met at 3:35 p.m. this day, with the Chairman, Mr. Groos, presiding.

Members present: Messrs. Andras, Brewin, Churchill, Deachman, Fane, Faulkner, Forrestall, Foy, Groos, Harkness, Langlois (*Chicoutimi*), Laniel, Lessard, Loiselle, Macaluso, McIntosh, McNulty, Nugent, Rochon, Rock, Smith and Mr. Winch (22)

Also present: Mr. MacDonald (Prince).

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Air Marshal F. R. Sharp, Vice Chief Defence Staff; Air Marshal E. M. Reyno, Chief of Personnel; Commodore D. S. Boyle, Personnel Branch, Canadian Forces Headquarters.

Following further questioning of Air Marshal Reyno concerning personnel functions, the members questioned the Minister and Air Marshal Sharp on other aspects of defence.

The Chairman announced the Subcommittee's recommendation, and the Committee agreed to invite the following witnesses to appear voluntarily during the week of February 13, 1967.

Date	Time	Name of Witness or Organization
Monday, Feb. 13, 1967	3:30 p.m.	Naval Officers Associations' of Canada. The Navy League of Canada. Royal Canadian Naval Association.
Tuesday, Feb. 14, 1967	10:00 a.m.	Admiral Brock.
Tuesday, Feb. 14, 1967	3:30 p.m.	Admiral Dillon.
Wednesday, Feb. 15, 1967	3:30 p.m.	Admiral Landymore.
Thursday, Feb. 16, 1967	3:30 p.m.	General Foulkes.

At 6:00 p.m. the Committee adjourned until 8:00 p.m. this day.

EVENING SITTING

THURSDAY, February 9, 1967.
(25)

The Standing Committee on National Defence met at 8:05 p.m. this day. The Chairman, Mr. Groos, presided.

Members present: Messrs. Andras, Churchill, Deachman, Fane, Faulkner, Forrestall, Foy, Groos, Harkness, Langlois (Chicoutimi), Laniel, Lessard, Loissele, McIntosh, McNulty, Rochon, Rock, Smith and Mr. Winch (19)

Also present: Mr. MacRae.

In attendance: From the Department of National Defence: Honourable Paul Hellyer, Minister; Mr. Elgin Armstrong, Deputy Minister; Major General M. R. Dare, Deputy Chief Reserves; Air Marshal F. R. Sharp, Vice Chief Defence Staff; Air Marshal E. M. Reyno, Chief of Personnel; Group Captain A. McCaig, Director of Budget, Canadian Forces Headquarters.

Following a statement by the Minister in answer to comments made at the previous sitting by Mr. Harkness, it was agreed to change the heading in chart

number 2 of Air Marshal Sharp's statement (Issue No. 14) to read *Defence Services Expenditures*. The chart as amended is included as Appendix "C" in this Issue.

Major General Dare, Deputy Chief Reserves read a prepared statement which described the Reserves and Survival Organization. It was agreed to incorporate the slides used in the presentation, in the Evidence.

The members questioned Major General Dare concerning his particular responsibilities as Deputy Chief Reserves. At approximately 9:55 p.m., the division bells having been rung, the Committee adjourned until Friday, February 10, 1967 at 9:30 a.m.

Hugh R. Stewart,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

THURSDAY, February 9, 1967.

The CHAIRMAN: We have a quorum. This morning we are going to hear from Air Marshal Reyno, Chief of Personnel.

Mr. BREWIN: Mr. Chairman, I thought we were going to continue questioning the previous witness.

The CHAIRMAN: Yes, that is so, but—

Mr. BREWIN: That has been overlooked. I am not trying to take the order away completely.

The CHAIRMAN: I think we agreed yesterday just as we left, Mr. Brewin, that we would start out this morning with Air Marshal Reyno and then complete the questioning of yesterday's witness.

Mr. McINTOSH: The Minister is here also, is he not?

The CHAIRMAN: Yes, indeed.

Mr. HARKNESS: Unfortunately, I had to be out of town yesterday and was not here, but I notice we have three meetings scheduled for today. I thought our understanding was that we would be having only two meetings a day.

The CHAIRMAN: I said yesterday that we hoped it would not be necessary to carry on with the last meeting at 8 o'clock, but it is there just in case the questioning goes on.

Mr. HARKNESS: Once more, I would like to protest against this business of trying to meet three times a day. I think it is wrong to attempt to do that because it makes an absolutely impossible situation for all members of the Committee.

The CHAIRMAN: Yes, I know, and I hope we can get down to two. We have not had more than two so far, but we are faced with the problem of the number of witnesses who have to be called and the timing.

Mr. HARKNESS: We have to put in some time in the House and we have to look after our correspondence.

The CHAIRMAN: I know, and we are all feeling the same way, sir.

Mr. HARKNESS: There is just no time to do all these things.

An hon. MEMBER: We will have to get up a little earlier.

Hon. PAUL THEODORE HELLYER (*Minister of National Defence*): Mr. Chairman and gentlemen, may I say that normally the first departmental witness would have been the Chief of the Defence Staff, General Allard. Regrettably, he is out of the country at the moment. I think it is realized by everyone that we did not know when the bill would be given second reading and be made available to

this Committee for discussion. It was in this circumstance that the Vice Chief of Defence Staff appeared as the first briefer and witness for the Department of National Defence. General Allard will be quite willing and anxious to appear at a later stage in our deliberations and I know that Committee members will look forward to the opportunity of hearing from him at a later date.

Mr. Chairman, with your permission I would now like to present Air Marshal Reyno. Air Marshal Reyno is the Chief of Personnel for the total defence complex—navy, army and airforce—and he will outline to the Committee his responsibilities and elaborate on some of the personnel aspects of the reorganization and the changes that are envisaged as a result of this bill when it is given approval by Parliament.

Air Marshal E. M. REYNO AFC, CD (*Chief of Personnel*):

Gentlemen:

Aim

1. The aim of my briefing is to outline how we intend to manage people in the single unified force.

2. *Terms of reference*

THE CHIEF OF PERSONNEL IS RESPONSIBLE FOR ESTABLISHMENT OF POLICY FOR :

Serial Number A.M. 1

Feb. 9, 1967

NATIONAL DEFENCE

581

1. Recruitment, career developments, including training, posting and transfer, promotions and releases, and the morale and discipline of officers and men of the Canadian Armed Forces.
2. Medical, dental, welfare, and spiritual care of Canadian servicemen.
3. The legal services of the Canadian Armed Forces including security both during peacetime and wartime.
4. Education and individual training for Canadian servicemen.
5. General Administration of both regular forces, reserves and cadets, as well as and in consultation with the Assistant Deputy Minister (Personnel) for civilian personnel employed by the Canadian Armed Forces.

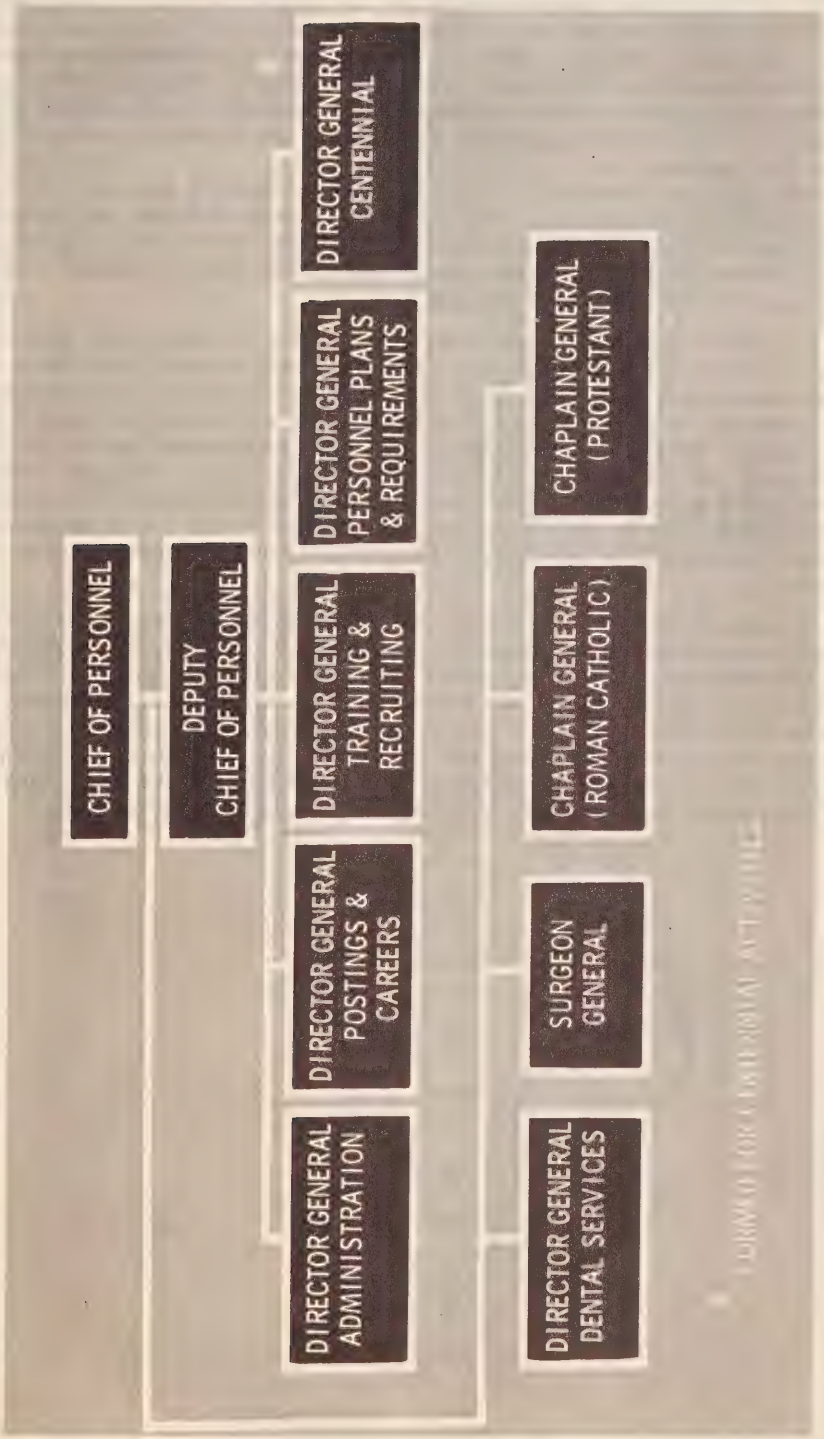
Personnel functions

3. The personnel function can be subdivided into personnel requirements, production or training, distribution and development or postings and careers, as we call it, administration and services. In short, personnel are recruited, trained, developed, administered and finally released. Related functions are now managed in varying degrees by the personnel branch in Canadian Forces Headquarters and by the personnel staffs in commands and bases where members of the Canadian Armed Forces serve.

Personnel branch—CFHQ

4. To fulfill my responsibilities, the Personnel Branch in CFHQ is organized as illustrated on this chart:

Serial Number A.M. 2



5. It will be evident that responsibility for people involves a great variety of functions. People are our most important resource and the management of people is our prime concern. Although I am prepared to answer questions on any of the duties of the Personnel Branch, I propose to speak specifically on the manner in which we intend to manage our personnel in the unified force, and thus I will speak primarily of the functions of the Division concerned with postings and careers.

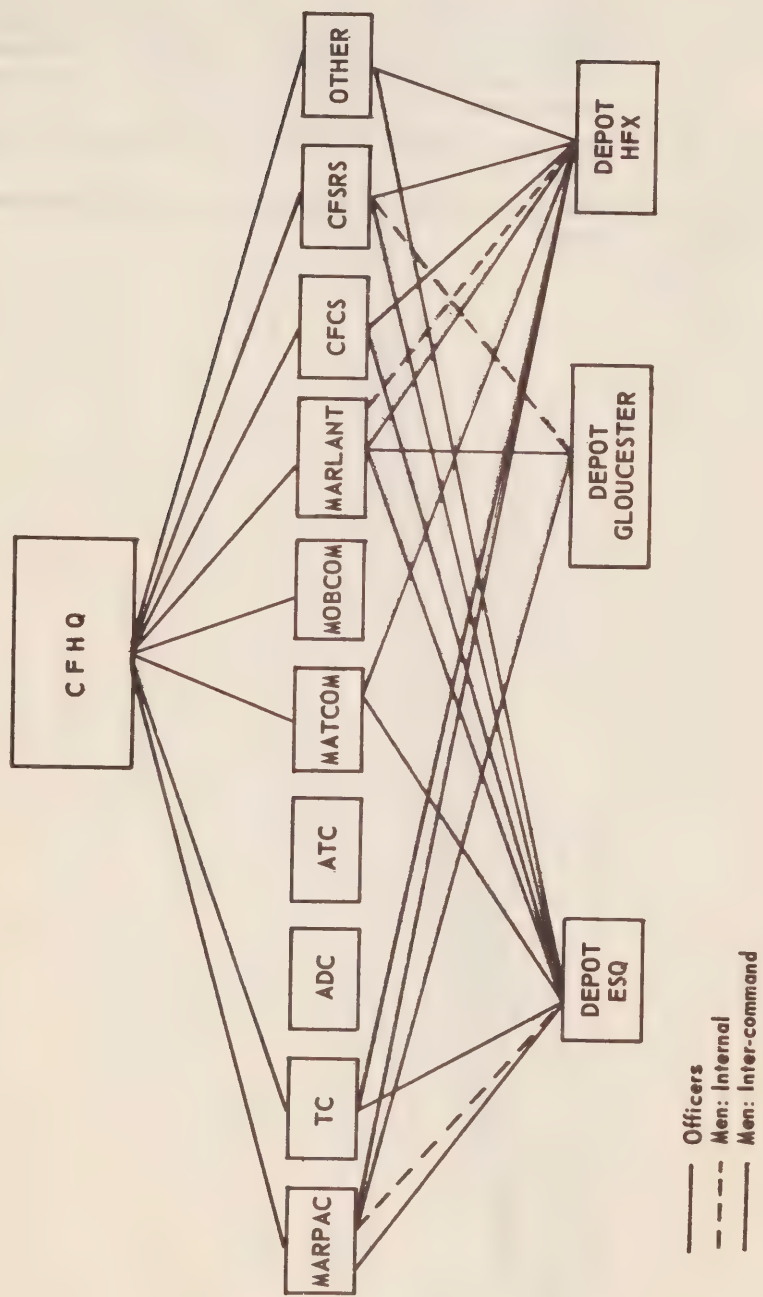
I will also say something during my briefing which I am sure will spill over into the responsibilities of the Director General of Policy and Requirements. This Director is Air Commodore Jacobsen, who is with me today to help me during the question period, and Commodore Boyle who is Director General of Postings and Careers is also present.

6. I would like to make some brief observations on the present personnel situation. Integration has progressed during the last two and half years and many advances have been made in administration at all levels of management. We are now on the threshold of a re-organized personnel structure which will vastly improve our personnel management. I must emphasize that the requirement to meet our present tasks efficiently, and the impact of major changes which affect personnel, demand that these changes be introduced by a process of evolution. There must be a period of transition during which it is to be expected that some changes will be necessary in the details of our personnel management structure.

7. We have never underestimated the magnitude of the task of developing the new personnel structure to meet the needs of the new military organization. It is a tremendous challenge to manage in excess of 100,000 people and at the same time to introduce the changes necessary to develop a unified force. We have within the Canadian Forces three separate services with different concepts, procedures and approaches to common problems. This imposes difficulties particularly in the key field of management of postings and careers. To illustrate, I would like to show how each service managed its own people in the past.

NAVY POSTINGS-EXISTING SITUATION

(4 CONTROL POINTS)

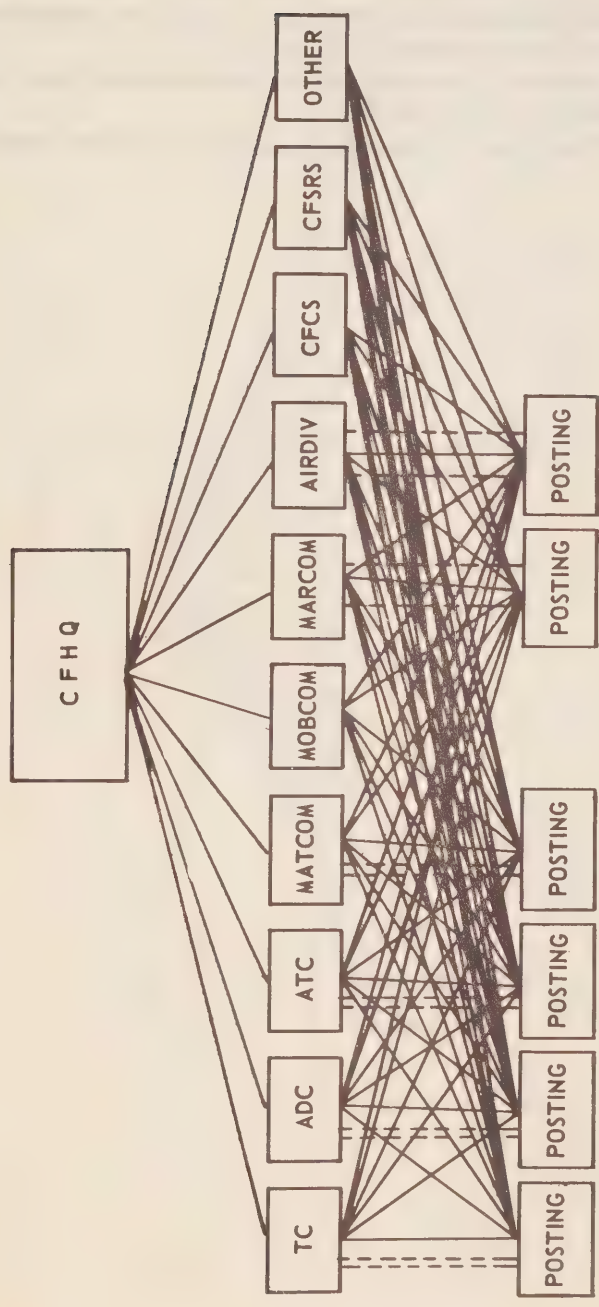


8. The naval personnel function has been carried out from 4 control points including CFHQ.

- (a) Internal posting of men within Maritime Command and Naval Divisions has been performed by the Maritime Command Depots in Halifax and Esquimalt; and the Depot at Gloucester has posted within the Canadian Forces Supplementary Radio System. CFHQ has controlled such matters as promotions.
- (b) Between commands, postings of men have been made on CFHQ authority.
- (c) And finally, Officers' postings in the navy have been centralized in CFHQ.

AIR FORCE POSTINGS-EXISTING SITUATION

(7 CONTROL POINTS)



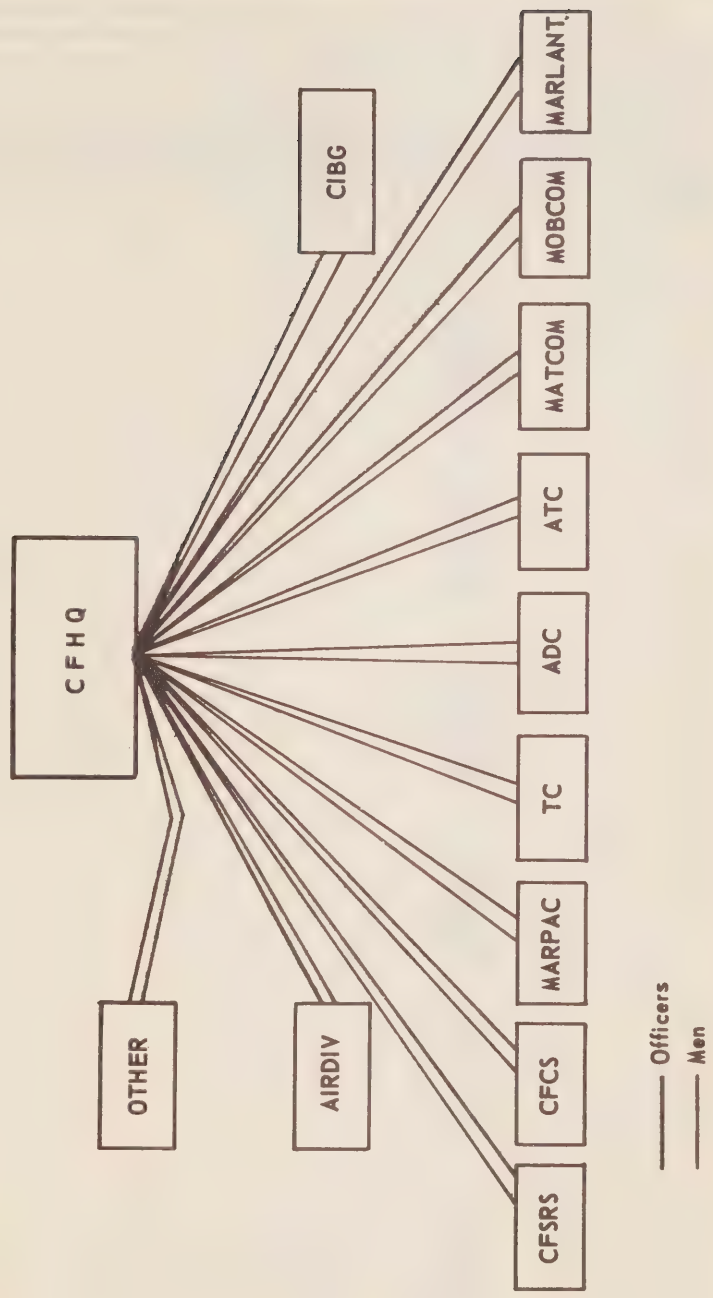
— Officers
 - - - Officers: Internal F/L & below
 - - - Men: Internal
 — Men: Inter-command

9. In the next slide you will see the RCAF organization. Including CFHQ there are seven posting control points and you will note first:

- (a) Internal postings of men and Flight Lieutenants and below have been performed by respective commands. Promotion has involved both command and CFHQ action.
- (b) Between commands, men's postings have been made on CFHQ authority. And finally,
- (c) Officer postings between commands have been centralized in CFHQ.

ARMY POSTINGS-EXISTING SITUATION

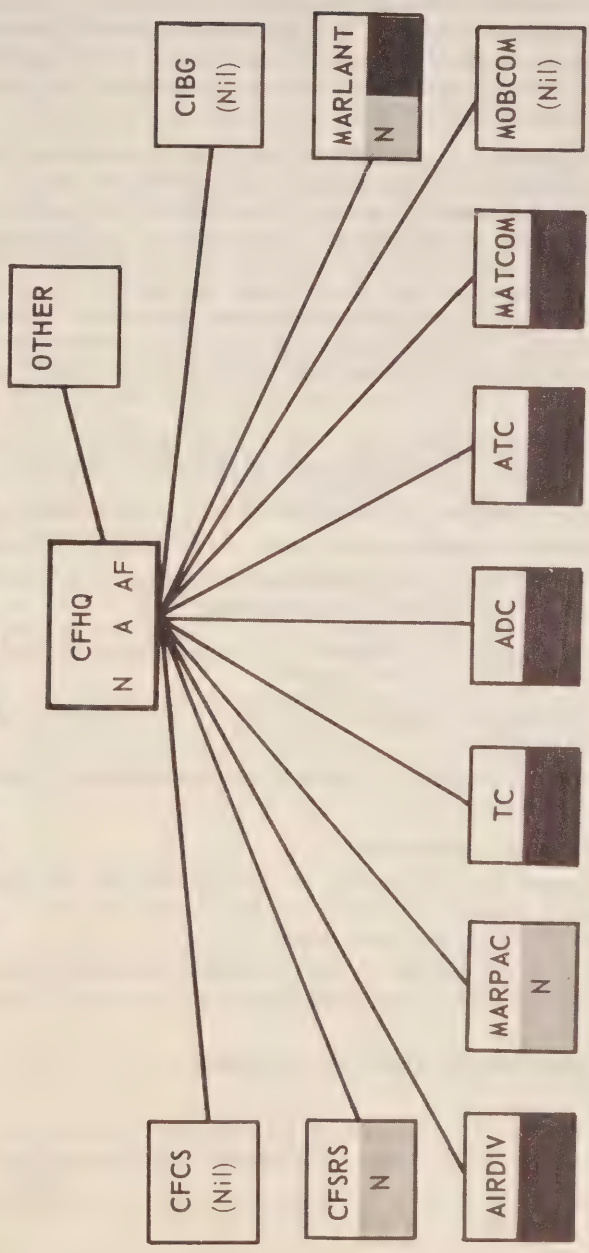
(1 CONTROL POINT- CFHQ)



10. And finally we show the single army posting control point where army personnel management provided that all postings were centralized in CFHQ and all promotions ordered from CFHQ, following, however, much input from unit and corps.

11. The manner of managing personnel which you have seen on the past three slides necessitated, following integration $2\frac{1}{2}$ years ago, the maintenance of three controls cells in CFHQ as well as cells in the commands as shown in this slide.

"POSTINGS AND CAREERS" STAFFS EXISTING SITUATION



Army: Officers & Men - CFHQ
Navy: Officers - CFHQ
Men - Depots
Air Force: Officers - CFHQ
F/L below internal - CHQ
Men - CFHQ - CHQ (internal)

12. You can imagine the complexity of such a set-up, and, of course, the extreme difficulty of developing a common system and implementing common policies and procedures under these circumstances.

13. While we were continuing to manage under the former organization, personnel were occupied developing a structure to meet the requirements of a re-organized force. Indeed one of the first things done was the establishment of study groups by the Minister, and these studies have formed the basis of many of the subsequent developments.

14. The key to developing an effective personnel management structure is the systematic arrangement or grouping of personnel to permit the most economical and effective method of training, promotion, paying, and assigning them the tasks that must be performed. The allocation of personnel to the various groupings must be tested against the vital personnel criteria of training, assignment, promotion and pay. The requirement for flexibility in the employment of the personnel must be compatible with the constraints of cost and time and above all, the need to ensure professional competence. Professional competence, of course, is our main aim and the best means of providing it is to manage the force well.

15. The personnel classification structure for both officers and men must meet the conditions I have outlined and must provide the following things.

- (a) Capability to adjust to new commitments and changing tasks;
- (b) A broad base of classifications to provide flexibility of employment;
- (c) A system that has the capability of competing with industry for its manpower in the Canadian environment;
- (d) A centralized system of personnel management; I will be having more to say about this in a few minutes.
- (e) A wide variety of employment at senior level to develop managers and leaders; and
- (f) A specialized training and employment capability at the junior and intermediate levels.

16. The structure must also provide:

- (a) A focal point for the personnel management of the unified force, including a basis for writing establishments in terms of the real requirements of the job to be done;
- (b) It must also provide an optimum career flexibility and improved career opportunities by reducing the barriers among groups of people;
- (c) It must also provide equitable pay based on similarity of classification;
- (d) It must also provide economy in training; and dispense with unnecessary training and duplication of training facilities must be avoided;
- (e) Improved rotation ratios for assignments to sea, to stations in isolation and overseas.

17. To incorporate these characteristics the structures range from the broad to the specific. The officers' structure is divided into:

- (a) *Lists*—which are functional grouping of officers by similar or related occupations; for example field operations list which comprises infantry, armour, and artillery.
- (b) *Branches*—which are specific occupational classifications within a list; for example, construction, electronics, marine, ordinance and aerospace within the engineering list; and finally
- (c) *Specialties*—which are specific qualifications required by only a limited number of personnel within a branch; for example, a submarine specialist in the general duties branch of the sea operations list.

18. Similarly the structure for men is divided into:

- (a) *Career Fields*—which are functional grouping of men in related or similar occupations. For example, armour, sea and photography, and so on. Assignments within career fields will be possible to meet unforeseen and urgent needs. In addition, promotion at the senior levels will be competitive within the career fields;
- (b) *Trades*—The structure will be divided into trades which are specific occupations within career fields. Crewman in armour, weaponman surface in sea and photographic technician in photography. Allocation to pay fields, trade training and normal posting will be made by trade and finally;
- (c) *Specialties*—which are incorporated in a trade and will be the basis of specific assignment and package training courses. For example, a photo interpreter in the intelligence operator trade; a submarine periscope specialty within the Marine Engineer trade.

19. The structures which we have developed were produced as annexes to the Minister's Address on the Canadian Forces Re-organization Act. They are the result of prolonged study and consultation by staffs at all levels including field commanders and branch heads at CFHQ.

20. You will note that officer structure clearly provides for the maintenance of the professional skills necessary. We can flash this one later if you wish.

MEN'S CAREER FIELDS
(Related to Officers Branches)

SEA WEAPONS	SOATSWAIN	INFANTRY	INTELLIGENCE	ARMOUR	INTELLIGENCE	ARTILLERY	INTELLIGENCE	PILOTS	MARITIME AIR	AIR DEFENCE CONTROL	AIR TRAFFIC CONTROL	WEATHER	FIELD ENGINEER	MECHANICAL	TOPOGRAPHY	STRUCTURE	COMMUNICATIONS OPERATION	AVIONICS	RADAR MAINTENANCE	SIGNAL (SEA)	RESEARCH	MARINE ENG.	ORDNANCE (LAND) ENG.	VEHICLES	LAND WEAPONS	ELECTRO MECHANICAL	WORKSHOPS	AVIATION	AVIONICS	INSTRUMENT ELECTRICAL	AIR (FLIGHT ENGINEER)	WEAPONS	SAFETY SYSTEMS	WORKSHOPS	DATA PROCESSING	SUPPLY	ACCOUNTING	SUPPLY	TRANSPORT	POSTAL	MEDICAL	DENTAL	NURSING	MEDICAL ASSOCIATE	DENTAL ASSOCIATE	PROVOST	SECURITY	CHAPLAINS	LEGAL	EDUCATION	SOCIAL WELFARE	PERSONNEL SELECTION	INFORMATION	FOOD SERVICES	PHYSICAL AND RECREATION	DATA PROCESSING	CLERICAL	CLERICAL	GRAPHICS	MUSIC	(ENG. - ENGINEERING)
GENERAL DUTIES (SEA)	INFANTRY	INTELLIGENCE	ARMOUR	ARTILLERY	PILOTS	RADIO NAVIGATORS	AIR DEFENCE CONTROL	AIR TRAFFIC CONTROL	METEOROLOGY	CONSTRUCTION ENG.	ELECTRONICS ENG.	MARINE ENG.	ORDNANCE (LAND) ENG.	VEHICLES	LAND WEAPONS	ELECTRO MECHANICAL	WORKSHOPS	AVIATION	AVIONICS	RADAR MAINTENANCE	SIGNAL (SEA)	RESEARCH	MARINE ENG.	ORDNANCE (LAND) ENG.	VEHICLES	LAND WEAPONS	ELECTRO MECHANICAL	WORKSHOPS	AVIATION	AVIONICS	INSTRUMENT ELECTRICAL	AIR (FLIGHT ENGINEER)	WEAPONS	SAFETY SYSTEMS	WORKSHOPS	DATA PROCESSING	SUPPLY	ACCOUNTING	SUPPLY	TRANSPORT	MEDICAL	DENTAL	NURSING	MEDICAL ASSOCIATE	DENTAL ASSOCIATE	PROVOST	SECURITY	CHAPLAINS	LEGAL	EDUCATION	SOCIAL WELFARE	PERSONNEL SELECTION	INFORMATION	FOOD SERVICES	PHYSICAL AND RECREATION	DATA PROCESSING	CLERICAL	CLERICAL	GRAPHICS	MUSIC	(ENG. - ENGINEERING)

MEN'S
CAREER FIELD

OFFICERS
BRANCHES

21. As far as men are concerned, the men's trade structure was revised at the time of the 1 October 1966 pay revision when the former 346 trades were reduced to 97. I should add that this reduction has been achieved with remarkably few complaints, and no loss of efficiency, and will in time produce considerable economy through consolidation of training. The many trades involving few people have been included in 97 trades involving larger numbers. The restrictive rank structure of the smaller group has been eliminated by the personnel concerned having the opportunity to compete for promotion in the larger group. In doing this we have eliminated a number of minor trades which were unattractive as career prospects.

22. Because the men's structure has been implemented we have been able to announce officially in a Canadian Forces Administrative Order the career policy for men. In this order we have provided for the transition over at least a three year period for the promotion and trade conversion of the men to the ultimate standard promotion and trade requirements needed. It is amazing to me just how many differences did exist between the opportunities for promotion or trade advancement between trades of a service, let alone between the services.

23. We are currently developing policies which will standardize such matters as commissioning from the ranks, retirement ages, promotion of officers and others. The fact that we have not yet reached firm conclusions is indicative of the extent of the differences, and the care we must take in resolving the differences. We recognize that in many cases, we must be scrupulously fair to everyone. This is why I say that we will manage our personnel with care and common sense during the transitional period. Our aim is to meet the requirements of the Canadian Armed Forces but as I said earlier, personnel policies must be permitted to evolve and in so doing, we will also recognize the legitimate aspirations of our men and officers.

24. I hope that what I have said has given you an insight into how the structure has evolved. I would now like to outline how it is intended to manage the personnel in the force and why we are re-organizing to a strong central management.

Management of people in the Unified Force

25. The following developments affecting personnel have already occurred:

- (a) The integration of CFHQ has been completed with members of each service working alongside each other.
- (b) The new command structure has been implemented and we now have personnel from each of the three services working side by side in the commands.
- (c) The classification of all men into functional groupings of environmental and integrated trades has been introduced.
- (d) The officer classification system by functional groups has been developed and announced in the Minister's address on the Canadian Forces Re-organization Act.
- (e) Common career personnel policies are being developed and adopted.

COMMANDS

PERSONNEL ADMINISTRATION
and SERVICES

CFHQ

PERSONNEL DISTRIBUTION
and DEVELOPMENT

THOSE ACTIVITIES THAT DIS-
TRIBUTE AND FURTHER DEVELOP
TRAINED MANPOWER RESOURCES
AND INCLUDE:

- a. Transfers
- b. Promotions
- c. Posting and Career management
including career training.
- d. Re-engagement
- e. Releases
- f. Related documentation

THESE ACTIVITIES ARE ALSO
KNOWN AS THE POSTING AND
CAREERS FUNCTIONS.

26. When we speak of personnel management it is essential to be clear on two definitions. First, Personnel Administration and Services which we have defined as those activities which ensure the well-being of individuals.

These are personnel areas in which every commander at all levels of responsibility will be actively involved and which permeate all our activities. Secondly, Personnel Distribution and Development which we have defined as those activities that distribute and further develop trained manpower resources and include:

- (a) Transfers
- (b) Promotions
- (c) Posting and career management including career training
- (d) Re-engagement
- (e) Release
- (f) Related documentation

These activities, also known as the posting and careers functions, are not performed uniformly in commands now and require a focal point to ensure that a common application of policy and procedures is made which provides equitable development of our officers' and men's careers.

PERSONNEL INVENTORY SINGLE SERVICE INTEGRATED POSTING REQUIREMENTS MANNING THE FORCES



27. This slide shows the three separate services transformed into an integrated inventory. This inventory reflects, in part, the officers' personnel structure and men's career fields outlined in the slides which I showed you earlier. We now show the commands which have a requirement for their share of personnel from this inventory. Here we show a single posting control point in CFHQ to replace the existing mixture of traditional posting authorities in the three components, which you have seen in earlier slides.

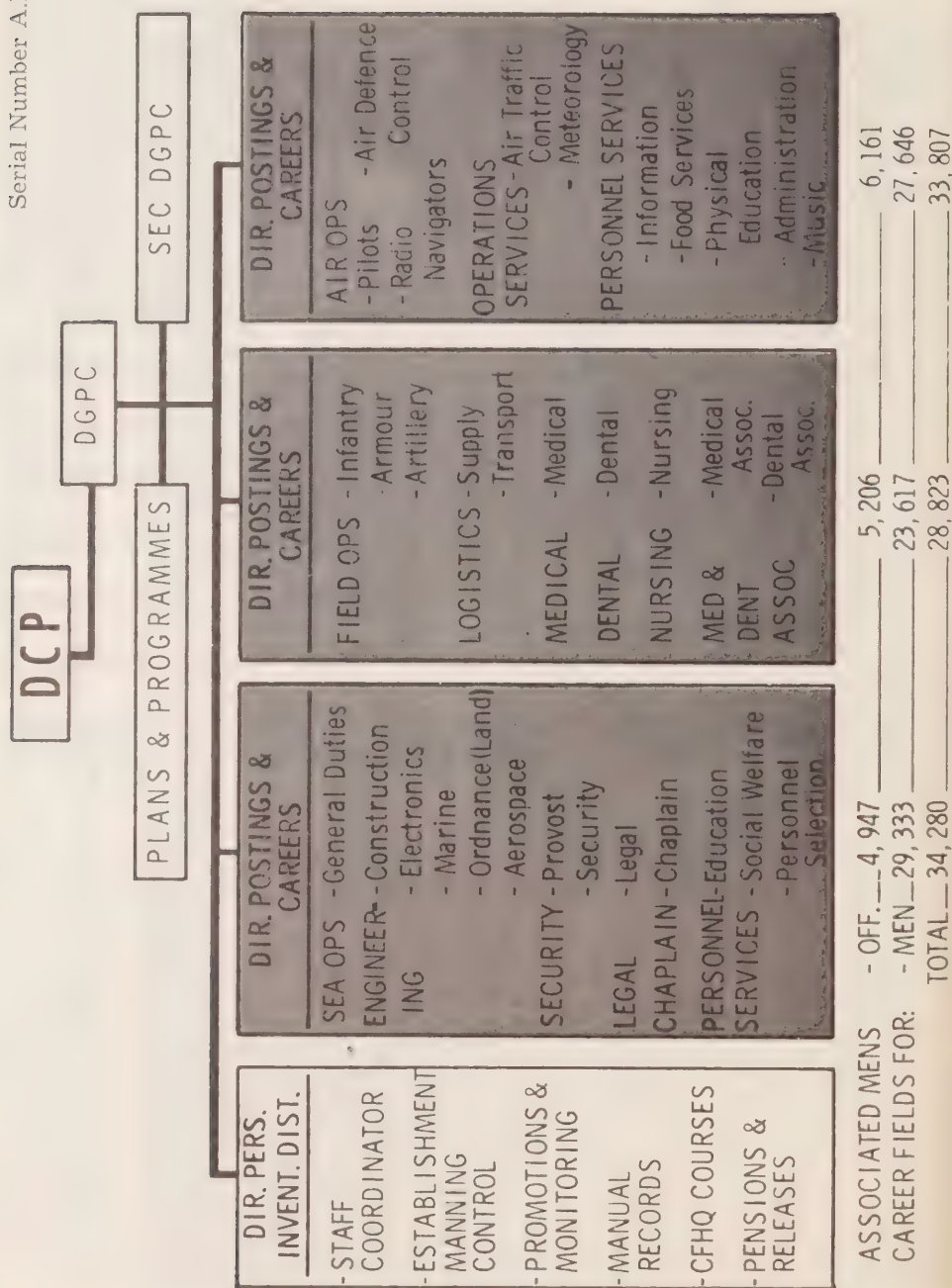
28. Even though it might appear self evident, let me show you on this next slide why the division responsible for the posting and careers of the personnel in the force is being re-organized as I will outline shortly:

REQUIREMENTS of an INTEGRATED FORCE WHICH DEMAND a CENTRAL POSTING AGENCY...

- a. MAINTENANCE OF LIQUIDABLE SEA, OVERSEAS AND ISOLATED DUTY ROSTERS.
- b. COORDINATION OF A WIDE SPECTRUM OF EMPLOYMENT REQUIREMENTS.
- c. LIQUIDABLE PROMOTION AND ADVANCEMENT OPPORTUNITIES.
- d. POSTING AGENCY IN CLOSE PROXIMITY TO PERSONNEL DATA BANK.
- e. STREAMLINED ADMINISTRATION TO AVOID DUPLICATION, ONLY ONE SET OF MASTER FILES EXISTS FOR TWO COMPONENTS (NAVY AND ARMY).
- f. TO PROMOTE CAREER PLANNING AND MOBILITY OF TALENT ACROSS ALL COMPONENT LINES.
- g. ECONOMY IN POSTING PERSONNEL, ESPECIALLY WHEN AVAILABLE LOCALLY BUT ASSIGNED TO A DIFFERENT COMMAND.
- h. NEEDED TO ASSESS OVERALL PERSONNEL INVENTORY/REQUIREMENT SITUATION TO ESTABLISH PRIORITIES AND ALLOCATE PERSONNEL AMONG ALL AUTHORITIES COMPETING FOR AVAILABLE MANPOWER.
- i. NEEDED TO REDUCE PROLIFERATION OF POSTING AGENCIES TO ENSURE CONSISTENCY IN THE POSTING TO INTEGRATED UNITS.

- (a) All men are required, barring legitimate reasons, to take their turn of sea, overseas and isolated duty as controlled by rosters for their trades. We recognize that there are limitations in this regard imposed by the need to ensure that men are not compelled to serve in an environment different from that which they joined. In the interests of equal treatment all men of the same trade will be included in the roster, and as tradesmen, will normally be employed in a number of commands and formations, and for these reasons this function will be centralized.
- (b) In order to plan postings which will ensure proper balance and challenging careers, the posting component must be well aware of the total spectrum of employment requirements.
- (c) In integrated trades particular care will be taken to ensure fairness in promotion, advancement, and selection for courses which affect careers.
- (d) A centralized management system will permit the optimum use of data processing machines.
- (e) The traditional paper war will be reduced by streamlining files and records.
- (f) Provision will be made to facilitate transfers of personnel between lists and branches and trades and elements of the force.
- (g) A central posting authority will minimize the movement of personnel and costs related to them.
- (h) Centralized management will enhance our ability to react to priority requirements.
- (j) A centralized agency will ensure consistency in posting personnel to integrated units.

29. To accomplish the purposes I have just outlined the division responsible for the postings and careers of personnel is being re-organized along the following lines:



- (a) The division will be organized into four directorates. Three of the directorates will be responsible for the posting and career management of the officers and men in the functional groupings shown. You will see that the groupings of those of the structure which was presented earlier. The point of management by functional and occupational groupings is that each officer and man can identify his career management team and we intend that career managers of the groups be officers and men who are members of that group. Career matters will be decided in consultation with senior officers who are specialists in their appropriate lists or branches. Indeed, this additional mature judgment is a vital factor in career management.
- (b) The fourth directorate will be known as the Directorate of Personnel Inventory and Distribution. This directorate will be responsible for the manning control of every unit in the forces and having available the day to day status of every trade specialty, branch and list. This directorate will segregate from the career planner any concern which he now has relating to manning, inventory, establishment and strength. We intend that the manning sections shall be established to provide a cell for each command or major entity. Thus if a commander is concerned that his command or any unit in his command is undermanned he would receive all details from this directorate. The directorate will also provide support to the posting and career directorates in those common management requirements which include these things:
- (1) Monitoring of performance evaluation reports;
 - (2) Promotion administration;
 - (3) Co-ordination of manual records;
 - (4) Selection boards and posting of selected personnel to courses;
 - (5) The processing of releases and pension submissions;
 - (6) The operation of the personnel data change centre.

30. Finally, I would like to say that we are extremely conscious that personnel constitute our single greatest asset and that is worth repeating and also that we would fail in our task if we did not ensure that the complete management system would respond to the needs of the commanders as users of the manpower in both peace and war. I would point out again that the development of our structure and the management organization is the result continuous consultation with our field commanders and senior managers and I am confident that the system I have outlined will meet the requirement.

The CHAIRMAN: Air Marshal Reyno, would you care to join us up here at the front.

Mr. WINCH: I have a very brief question at the moment, sir. It strikes me from what we have heard in the last day or two from Air Marshal Sharp and what we have heard this morning that a great deal of what is going to take place now on reorganization if the bill passes is based on computers, and I would like to know where the planning is now on both cost and the availability of the machines which seem to be absolutely essential if the policy is to go into effect?

Mr. REYNO: Is the question directed at me, sir?

Mr. WINCH: Well, I do not know who can answer that. I just put the question because it strikes me it is a logical question in view of the evidence we have had in the past two days from Air Marshal Sharp and yourself.

Mr. REYNO: I was under the impression, sir, that you were briefed on the contents yesterday. Perhaps Air Marshal Sharp would like to reply to it to elaborate on what he said in outlining costs.

Mr. WINCH: Well, the implication of my question is that from your submission and answer in the last two days—and this is on personnel in particular, which we dealt with this morning—it seems to be that the success of the policies outlined is, to a great extent, dependent upon the availability of computing machines and I would like to know in your present planning the costing of the machines and, in particular, the availability, because unless they are available I cannot see this plan going into effect.

Air Marshal SHARP: Well, in the first place, Mr. Winch, I am sure that the machines are available.

Mr. WINCH: You know that they are available. When?

Air Marshal SHARP: We can have the machines available. The problem with computers is in designing the system and writing the program and then buying the machine that can handle that system and that program.

Mr. WINCH: That is exactly what I am getting at. We have heard about the planning from yourself, sir, and the Air Marshal this morning. When does your planning—this year, next year, the year after—reach the point that you can order the machine to put this into effect?

Air Marshal SHARP: Different programs have, in some cases, different machines. For example, we are now in the process of writing the specifications for the computerized pay machine that we are obtaining. In other words, we have done the systems planning, we have completed the programming, we are now in the process of obtaining the machine and the next stage will be to test out the program. In the case of the logistics, as I explained yesterday, with respect to the machine that we are obtaining, the planning of which is being done now indicates that we will not be able to obtain the machine until about 1970 or 1971. In the case of the machine for personnel, I am not sure yet but I believe we will be able to tie it in with the pay machine and thus avoid obtaining two machines. I am quite sure that you can be convinced that the planning for machines is being done properly and machines will be available.

Now, with regard to the first part of your question dealing with whether or not we will depend completely on machines and if we either did not have the money or could not get the machines whether we could still carry this program through. I would say that we could carry it through but it would be much more difficult to do it, and we would not be able to effect the economies that we think we can with machines.

Mr. WINCH: Could I put my question this way, Mr. Chairman. As I understand the information which you have given us on page 8 in particular, where you are going to bring your personnel inventory from the complex and complicated system of three services into one, where it has to do with not only

individual training but collective training, where it has to deal with rotation, overseas isolation, etc., etc. and where it has to deal with promotions, it seems to me that everything in that proposal hinges on NDHQ having completely computerized records. So, I cannot see this particular system unless you have that. Will it take 18 months, two years, three years—1971 or 1972—before you can actually, get this plan into operation?

Mr. REYNO: Well, let me elaborate on the personnel policy with respect to it, sir. Just last week I took a course in Washington, which was sponsored by the Department of Defence in the United States, for personnel holding the rank of brigadier general and up to show us the impact of computers on management philosophy. I was there for a week and I heard the best speakers, the most knowledgeable men in the Defence Department of the United States on the subject and I was taken on a tour of many of the computer installations in Washington. I learned, among other things, that the United States government is spending \$2 billion per year on computers.

We also have a number of people who are going to universities in the United States right now—I cannot give you the specific number but I could do so if you required it—who are learning about computers, data processing machines, and so on. Next week a senior officer from my staff is going to Washington to take the same course I took, and we are going to keep repeating this in three week cycles from now until at least the end of the summer. We are going to get our information by sending people through university and, in the case of the younger chaps and the chaps at management level like myself, by going down there to find out the impact of these machines on management. As I tried to outline, we will be able to blend all this into the policy as we develop it between now and 1969. This is not as yet a fait accompli; we are just developing it but we are not forgetting machines in its development and you are quite right when you say that our program lends itself to being put on computers in order to do away with all the hard manual labour that is involved.

Mr. WINCH: Well, that is the point which I am trying to get at. Perhaps my question was not well put but this presentation, in the little time we have had to study it, strikes me as being a marvellous development. However, as you have outlined it, I cannot see this being developed unless you have a fantastic increase in staff or use computerized machines. Now, you stated that you discovered on your visit to Washington that the United States is spending \$2 billion a year on their machines. What do you estimate it is going to cost Canada to put this plan fully into effect, and approximately when will it take place?

Mr. REYNO: Well, as you know, sir, we have a number of machines right now on our own inventory. It would require a much more specialized man than myself to speak on the potential of these machines. This is being looked at right now.

Mr. WINCH: Can I ask the Minister—

The CHAIRMAN: I would like to interject for a moment on a point of personal clarification. Were you suggesting that it was costing the Defence Department in the United States \$2 billion?

Mr. REYNO: No. If that was the impression I created, I want to take it back; it is that amount which is being spent by the Government of the United States. However, a substantial portion of that amount is being spent by the Defence Department of the United States, which—and probably by design—is the largest user.

Mr. WINCH: I would like to ask a final question of the Minister. Mr. Minister, because you are responsible and you go for this plan, what have you in mind—I hope you have something—as to what is going to be the cost of this?

Mr. HELLYER: Mr. Winch, we can get—

Mr. WINCH: And how are you going to do it and over what period of time?

Mr. HELLYER: We can get you a figure on the order of magnitude for a computer, but that is the best we can do at the present time because you have to know the capability of the computer before you can estimate the cost, as Air Marshal Sharp has said. The final decision has not yet been made as to whether it is better to have more single-purpose units or less multi-purpose units, and this affects the cost of the machine. Now, we can get you an order of magnitude, but in so far as your general question is concerned, there is no problem in getting the machines once you know what you want. There is a lead time involved, of course, of probably a year or 18 months, something like that, but there is no problem in getting the machines and the costs are certainly of such an order of magnitude that it is no problem within our budgetary limitations. If you would like to have some range of the cost of the various types of machines we can get that for you.

Mr. SMITH: Could you give us some estimate of what it is going to cost?

Mr. HELLYER: Oh yes, but they vary tremendously, Mr. Smith, depending on the complexity of the unit. We have one now, for example, at Materiel command and we could give you the cost of that, but the cost depends entirely on what you want the machine to do. We will get you some figures on this during the course of the day.

Mr. WINCH: Just one more question and then I will subside, Mr. Chairman: Do I gather from what the Minister just said that this planning, as outlined by the Air Marshal this morning very comprehensively, has been done without knowing whether the machine can handle this?

Mr. HELLYER: Oh no, there is just no question, Mr. Winch, but that you can get a computer to do any of these things. You have to determine before you order it precisely what you want it to do. Once you have done that, you can give it to the manufacturers of these machines and they will give you the right unit to undertake the task at hand.

Mr. WINCH: As an electrician, what happens if the darn thing blows a fuse?

Mr. HELLYER: I would suspect that it would automatically be replaced by another and if not automatically, very soon thereafter by a very skilled technician.

Mr. WINCH: Thank you, Mr. Chairman.

Mr. McINTOSH: Mr. Chairman, speaking about personnel, I am going to ask Air Marshal Reyno if any consideration has been given to the idea of the

department looking after its own personnel in the event of an accident or death of one of its servicemen. The reason I ask this question is that I have served with the Department of Veterans Affairs and I have found that we have great difficulty with applications for pension for those serving in the forces in peacetime. They seem to be treated much differently than applications for veterans that have served on active duty. I have thought for some time that it would be much better if the department looked after its own people in cases like this. Has any consideration been given to that thought?

Mr. REYNO: All I can tell you, sir, is that since I have been chief of personnel, which is about six months now, I have not seen one complaint about that specific matter come across my desk.

Mr. McINTOSH: You have not which?

Mr. REYNO: I have not seen one complaint come across my desk.

Mr. McINTOSH: There are many complaints which we can give you. You do not deal with them and perhaps this is why you do not see them. The application goes into the department through the Pension Commission. In the event of a death resulting from a vehicle accident you do not deal with it, you say that the individual was on duty at the time of the accident and the Pension Commission rules in their wisdom—and they have the power to do so—that he was not on duty. Now, there is a conflict there and I would think that it would be much better if the Department of National Defence would look after its own people rather than turn these cases over to Veterans Affairs. Now, I will ask if some consideration would be given to this?

Mr. HELLYER: I think, Mr. McIntosh, that we have given some consideration to changing the law as it applies to the kind of accidents that you spoke about. I do not know that we have given any active consideration to assuming responsibility. This has been carried out by and large quite successfully by the Department of Veterans Affairs for many years and I think that our department would be quite reluctant to enter into a function that the other department is established and equipped to perform. Brigadier Lawson might know if we have done anything actively in this—

Mr. LAWSON: The whole matter is now being looked into, sir, by a commission appointed by the government and the report is expected within the next month.

Mr. ROCK: Am I to understand correctly that Mr. McIntosh feels that the Defence Department should now look after Veterans Affairs and discontinue—

Some hon. MEMBERS: No, no.

Mr. ROCK: All right.

Mr. McINTOSH: At the bottom of page 2 this sentence appears:

...headquarters has controlled such matters as promotions through the use of machine type recommendation forms.

Can you tell us what those machine-type recommendation forms are and how they work?

Mr. REYNO: This is a machine form, sir, that was used almost exclusively by the Navy, and it was a means of maintaining records at CFHQ. That is what that sentence means. I deleted that from my spoken text.

Mr. McINTOSH: Yes, I noticed that.

Mr. REYNO: Because I thought it might be a computer.

Mr. HARKNESS: It was not on a computer system.

Mr. REYNO: I am sorry, sir?

Mr. HARKNESS: This machine form was not on a computer system?

Mr. REYNO: I cannot answer that specifically, sir, but perhaps Commodore Boyle can.

Mr. BOYLE: Yes, sir, it was.

Mr. HARKNESS: It was a computerized system.

The CHAIRMAN: I wonder, Mr. McIntosh, if I would ask a supplementary question at this point. I hope the committee will allow me to do so. Now, this is apropos of a remark that you made earlier on, and I cannot let the opportunity of having the chief of personnel here pass by. There is a grey area which disturbs me very much between the time a man is released from any one of the services until the time he gets his pension. Now, I am not worried about the regular pension, but when a man is injured or becomes disabled in some way and is released from the services he will get his service pension all right, but some time will elapse before the Canadian Pension Commission is able to deliver a judgment on whether he is eligible for a disability pension. This seems to be an area which we ought to look into because the service should look after its own.

Now, the particular example, if I could explain it to the committee, that worries me is when a man is released—and I have such a case before me know—and he obviously cannot work, he is applying for a 100 per cent disability pension, and this case does not happen to be within the armed services but the situation would apply, he is released in June or July and he had got tremendous family responsibilities and even today the Canadian Pension Commission have not yet been able to decide whether or not he is going to get that 100 per cent disability pension. It seems to me that in the interests of personnel generally the armed forces ought to consider this and perhaps accept responsibility for a man who is applying for a 100 per cent disability, at least until such time as the Pension Commission has delivered its judgment. Has that ever been considered?

Mr. REYNO: The only answer I can give, Mr. Chairman, is that as far as I am aware there has never been any delay by the Department of Defence in processing any of these matters.

The CHAIRMAN: No, it is not a question of delay in the department.

Mr. SMITH: It is not a question of delay in the Department of Defence, but because of living at the edge of a large army camp I could go back in my files and find people who were living on welfare while a determination on whether they were entitled to a disability pension was being made. They had been discharged on medical grounds, they had perhaps been involved in an accident which was not clearly a case resulting from their service and they were discharged, and in the in between period they were actually on welfare while awaiting determination.

Mr. HELLYER: I wonder if this is not one of the areas that the Woods committee has been studying? I think it is.

Mr. SMITH: That is possible, but it will not do any harm for Brigadier Lawson to hear this.

Mr. HARKNESS: I think the basic difficulty is that the so-called insurance principle which applied during wartime does not apply under peacetime conditions, or has not applied so far. There has been a widespread demand for a long time that the insurance principle should apply.

Mr. WINCH: I was interested to hear you say that in the Navy you used a machine for certain purposes. I would like to ask you this. In reaching your decisions on promotion, or whatever it was what type of information was put into that machine to bring out the result?

Mr. BOYLE: I would say that in assessing a man—and this was done for men only—you assess him on ten qualities which you look for in your leaders and you scored him between one and ten.

Mr. WINCH: Who puts in that report?

Mr. BOYLE: The report is written by his immediate supervisor, providing that immediate supervisor is two ranks senior to him. In other words, if you are putting in a report on a leading seaman, it must not be completed by a man junior to the rank of a petty officer, first class.

Mr. WINCH: And how often were these reports put in to your machines?

Mr. BOYLE: Twice annually, sir. Every six months, sir.

Mr. WINCH: Thank you.

Mr. MCINTOSH: Mr. Chairman, of this point which you brought up in regard to looking after the personnel of the department. The Woods Commission recommendation is going to be submitted to the Department of Veterans Affairs, I do not think it will be submitted to the Department of National Defence, and I would like to ask the air marshal, if he is in charge of personnel, if he would consider the remarks that have been made this morning in this regard, because we can give him many cases where there have been difficulties. Mr. Smith referred to people being on welfare. I can refer you to cases of families that have gone through a whole lifetime and they were still fighting their case, on split decisions of the Pension Commission Board.

Mr. REYNO: I will be glad to have my welfare staff check it out, sir.

Mr. MCINTOSH: Well, my next question has to do with these package training courses. Would you elaborate a little bit on the package training courses? What do you mean by a package training course? You mention this on page 5, where you say:

Specialties—which are incorporated in a trade and will be the basis of specific assignment and package training courses.

Mr. REYNO: Well, a package training course, sir, would be one in which we would send a man to university for a specific course to develop a specific skill. For example, right now we have 13 people of the level of major and upwards going to various universities in North America gaining some particular specialty.

Mr. MCINTOSH: That is a special assignment, but what is the package training?

Mr. REYNO: I think we are probably just arguing about the meaning of words. It is probably a very poor word, but that is what is meant by that expression.

Mr. McINTOSH: How, what is the significance of the reduction in your trades from 346 to 97? Do you mean you have eliminated over 250 trades altogether?

Mr. REYNO: No, sir, we did a study which was carried out over a long period of time which showed there was enough commonality between all the trades of all the services that we could reduce them and still have effective trades to the number of 97. This of course, helps us greatly in our training bill and also made it possible with a much smaller number to divide the trades into pay fields, by which we were able to effect the reorganization of Oct. 1, 1966 I told you about.

Mr. McINTOSH: It is just a matter of nomenclature; the names are changed but the trades are still carried on and they are in need, and so on?

Mr. REYNO: We have lost no trade skills in it.

Mr. HARKNESS: In effect, a considerable number of what were called trades are now called specialties. That is what it comes down to, is it not?

Mr. REYNO: Yes. A specialty leads into a trade and a trade into a career field.

Mr. HARKNESS: But a lot of what you now call specialties were formerly listed as separate trades?

Mr. REYNO: That is quite right. It provides greater opportunity for the best men to advance and it gives them what we think will be a more challenging career.

Mr. McINTOSH: On page 6, under the heading "Management of people in the unified force", paragraph 25 (b), it says:

The new command structure has been implemented and we now have personnel from each of the three services working side by side in the commands.

Could I ask you in what proportion?

Mr. REYNO: I would have to look at the records for that, sir.

Mr. McINTOSH: Is it predominately Air Force?

Mr. REYNO: No, Mobile Command is perhaps the outstanding example and I could not even hazard a guess at the proportions. I know at the command level we have one three star general, one two star Army general and one two star Naval officer. Beneath that level we have one one star Air Force, one one star Army—by one star I mean at the brigadier level—and so on. I could get these specific figures if you would like to have them.

Mr. McINTOSH: These stars have me confused; they are not what I am used to.

Mr. WINCH: Are there any indians as well as chiefs?

Mr. REYNO: Yes, sir, and the staff is completely integrated.

Mr. McINTOSH: On page 8 chart 12 you show the different directorates that you have now set up. Is this an extension of Parkinson's law that we have heard so much about? You are creating more branches and more directorates under the single service than you had before?

Mr. REYNO: No, sir. We are trying to make it more compact and create—

Mr. McINTOSH: I know you are trying to, but have you been successful? It seems to me that you are creating a great many more commands than you actually had before and also directorates or branches.

Mr. REYNO: No, sir, we are just avoiding duplication. For example, speaking of the Air Force slide in particular, do you remember that great criss-cross of lines at the bottom?

Mr. McINTOSH: I remember it, but—

Mr. REYNO: Well, we are trying to eradicate that and make it much more simple, so that everything in the fullness of time—perhaps by 1969 or 1970—will be controlled centrally from Canadian Forces Headquarters in Ottawa.

Mr. McINTOSH: Well, you have eliminated what was known as the old military secretary Branch of the Army for the promotion of officers, and so on?

Mr. REYNO: Yes, sir.

Mr. McINTOSH: That is the end of my questioning, Mr. Chairman.

Mr. SMITH: Air Marshal Reyno, from what Air Marshal Sharp has said and what you have said, most of the politicians and most of the serving officers here will have departed for other fields by the time unification is completed so I would like to ask a couple of questions relating to the future.

Assuming, for example, that these amendments are passed by the end of February, when will a young man who is looking to the armed services as a career, know what he is getting into with a reasonable amount of certainty? When will he be able to enlist or be commissioned and know with certainty what is likely to happen to him in this great mass of pop art we have had on your slides that would confuse anyone? For example, if my son wanted to make the armed services a career, when can you offer him something fairly specific?

Mr. REYNO: We can offer him something specific right now, sir. Our recruiting information and all our publicity is geared to this, and certainly there is no drop in the recruiting rate right now. We are getting more recruits than we ever did.

Mr. SMITH: I did not suggest that there was.

Mr. REYNO: I am not quite sure that I completely grasp what you are after.

Mr. SMITH: When will the terms of enlistment in the new services be available? When will a man know what cross posting or transfers within branches he might be subjected to, when will he know that?

Mr. REYNO: I think he can know it right now, sir, from the publicity that we have given. Our aim, of course, is to take recruits into a common training establishment and then give them aptitude tests, and so on, and from these results we can then get some indication of what they are best suited for in terms of trade. Then having decided that, within reason we will give him the opportunity of serving in the environment which he prefers. We have often found, though—and even now—when you give a man that choice it is often not very long before he wishes to switch around and wants to go into some other environment. As a matter of fact, we have 7,500 people in the services now who have at one time served in one of the other services.

Mr. McINTOSH: Might I with deference ask the Air Marshal if he could give the aptitude test to the Committee and see how they qualify?

Mr. REYNO: We are always eager to get new recruits. (laughter)

Mr. SMITH: Will there be a substantial difference between the term of enlistment in the unified force as compared with the present force?

Mr. REYNO: No, not really, sir, with this one exception. The whole aim now is to get a recruit in and give him what you might call an apprenticeship program of about five years, during which time he will take a good look at us and we will take a good look at him. At the end of that time if both the individual and the service are satisfied we will continue on with the association and he will then be given two stripes and become a corporal. He is then a professional serviceman. From then on he will no longer sign on every three or four years, and so on; he will have the same sort of career term outlook that an officer has now.

Mr. SMITH: The initial enlistment term is five years now?

Mr. REYNO: Yes, except in the case of bandsmen. We train them a little longer.

Mr. SMITH: But generally speaking.

Mr. REYNO: Yes.

Mr. SMITH: And under the new unified service it will still be five years?

Mr. REYNO: Yes, sir.

Mr. SMITH: What will the terms of discharge be within that five years? Has that been settled or is any change proposed?

Mr. REYNO: They will not change substantially from the rules that are in effect now. It will depend on the man's attitude and his medical category, and other things like that.

Mr. SMITH: Then beyond the five years what is the proposed term of enlistment?

Mr. REYNO: After the five years he will then enter the critical part of his career, since he will then decide whether he wants to become a professional serviceman. Beyond this time he will continue to serve for an entire career, which will be 20 or 25 years, depending on his promotions.

Mr. SMITH: What will be the terms of getting out during that time?

Mr. REYNO: We have no more legal hold on him, sir, than an organization in civilian life would have on its employees.

Mr. WINCH: May I ask a supplementary. I believe you said, Air Marshal Reyno, that you now have 143 people going to university for specialized training. Could I ask whether or not you are going to hold under this new plan that these people having obtained their training and education at the expense of Canada, are going to be held on repayment for service in the forces, or will they again be permitted—as public accounts are aware—to buy their way out at a ridiculously low cost when compared with what Canada has spent to give them that training?

Mr. REYNO: The 143 people to which I referred includes only officers of the rank of major and up who are going to university on graduate or post graduate courses of study. Each of them has to sign something which will protect the taxpayers' interests you may be sure of that, and I can give you the details if you wish.

Mr. WINCH: As a member of the Public Accounts Committee—and there are two or three of us here who are on that Committee—we have been most disturbed in the past, not at those of the rank of major and up, but those people going to university who are being trained as engineers and doctors and, as young men, are given four or five years and then, because they can make so much money elsewhere, in the United States, for instance, someone in a clinic puts up the money and they can buy out almost immediately upon graduation. Is this being considered on a change of policy?

Mr. REYNO: Yes, sir, we think about it a lot, I can assure you, but there does not seem to be any successful formula, or any formula which is acceptable to everyone, to keep people in beyond a certain time. You can do this for, I suggest, about three and perhaps five years, but you cannot keep a man in against his will beyond that time.

Mr. WINCH: We have had examples of a man getting out almost within one year after graduation.

Mr. REYNO: They have been very special cases, then, with reasons over which the Services had no control.

Mr. SMITH: This professional training really depends on the recipient's will. If you have a sulky doctor he is not much good to you, is he? It is just a chance that you have to take.

Mr. REYNO: Thank you, sir. You are quite right and I wish I had included that comment in my answer.

Mr. SMITH: It is a chance everyone has to take.

The CHAIRMAN: Mr. Rock has a supplementary.

Mr. ROCK: Air Marshal, are there any plans to create a Canadian Armed Forces college to replace the system which exists at present; something new, for instance?

Mr. REYNO: It might be helpful, sir, if I outline for you the training program which we have in mind. As you know, we now have academic colleges at Royal Roads, at St Jean, Quebec and in Kingston. We have the Canadian Forces Staff School in Toronto, to which we send people of about captain (army) level. We have the Canadian Army Staff College in Kingston and we have the Canadian Armed Forces Staff College in Toronto.

Mr. ROCK: Will they exist as they are at present or are you going to try to create a Canadian armed forces college, or two or three colleges across Canada, and concentrate in these three specific places rather than having it spread as it is at the moment?

Mr. REYNO: We are always looking for means of improving the situation. However, I do not think I could be specific on that right now because I really do not know which ones we will close. We would obviously like to consolidate our training as much as we can and it seems to me that the training of officers is a good place to start. I am not prepared to reveal the specifics of doing it right at the moment, nor do I actually know them. However, I can tell you we are looking at them.

Mr. McINTOSH: Air Marshal Sharp said yesterday in his presentation:

We hoped to organize our forces in such a way that optimum advantage could be taken of the latest advances in science and technology. . .

If this is so, I assume you are going to require an additional percentage of skilled personnel. Have you any idea what percentage there is in the forces now and what your requirements are going to be when you adopt these new weapons?

Mr. REYNO: I guess we will continue to operate as we have done, sir. When we get new equipment, which involves advanced technology of some kind, we will get people specifically trained to operate it.

Mr. McINTOSH: What I am getting at is that your requirements now are for skilled personnel rather than bodies, as it used to be. Is that not right?

Mr. REYNO: It is becoming that way, sir, yes. How long it will be before that becomes a valid and defensible statement, I do not know, but the trend is there.

Mr. McINTOSH: Have you any idea what percentage of the personnel which are now in the forces are required to be skilled, rather than, say, just an infantryman or an LAC general duties, and so on?

An hon. MEMBER: Do not tell me an infantryman is not skilled.

Mr. HELLYER: If I might say a word on this question. I think the problem is that there are different skills, therefore you would have to define what you mean by "skil's" and then categorize it. One program which has been initiated, and which has not been done before, is a job evaluation of every job in the service to determine the level of skill which is required. This is a very comprehensive program and, if I recall correctly, it will take something like three or four years to complete.

Air Marshal SHARP: Two years for other ranks.

Mr. HELLYER: And additional time for officers, so that we do know the level of skill required for each job. Once this is finished, it still has to be kept current because every time you buy new equipment or organize your forces differently you have to go through the job evaluation over again to get the level of skill required for changing jobs.

Mr. CHURCHILL: Are you training a few men and officers to fight?

Mr. HELLYER: Yes, Mr. Churchill.

Mr. CHURCHILL: I am glad to hear that.

Mr. McINTOSH: Just for Mr. Winch's information, I am an infantryman and that might be a significant statement to you, Mr. Winch.

Mr. HELLYER: I do not think anyone would say that there is not a considerable level of skill involved.

Mr. McINTOSH: My question was based on your requirements for a mechanized force. Of necessity, I would say that now you must have more people in the forces technically skilled or trained than you ever had before.

Mr. HELLYER: This is a correct interpretation of the trend, certainly.

Mr. McINTOSH: Do you know what percentage will be required to have a special mechanized skill of some sort?

Mr. HELLYER: Mr. McIntosh, it is awfully difficult to say. You would have to break it down to the number of doctors needed, the number of nurses needed, the number of laboratory technicians needed, the number of X-ray technicians needed, the number of radar technicians needed, the number of motor mechanics needed, the number of armourers needed. This is a very complicated business, but that is what the job evaluation is for—to get the answers to all of those questions and then to keep an automatic up to date record so that you know at all times how many of each of those particular skills are needed and the level which they will require.

Mr. McINTOSH: To carry on from Mr. Churchill's question, I think the figure used to be eight men in the rear to keep one fighting man in the front. Is that proportion going to increase in this new formation?

Mr. HELLYER: No, but it still will not answer your question because some of the men in the rear might be surgeons, for example, and the level of skill is pretty high. Your question is related to the levels of skills.

Mr. McINTOSH: They are all related questions.

Mr. WINCH: I should like to ask a supplementary question which brings up the important points. So many additional and even highly qualified skills are now required in the armed services. They enlist and are trained, and my personal view is that a lot who are leaving the service, as well as there who have left during the last two years, are not doing so because of the question of integration or unification, but because of the demand in private industry for the skills in which they have been trained. What thought has been given to holding in the service those who have been trained and are highly skilled in view of the additional gains to them in private industry? This is one of the most important issues that is facing the armed service.

Mr. REYNO: You are quite right, sir. This is precisely the major challenge to personnel management, in particular, in the forces.

Mr. WINCH: How are you going to hold them?

Mr. REYNO: Well, first of all, I am going to search the files of the people who are in the service and pick out the very best leaders that I can find; leaders who are imaginative enough to develop the kind of conditions of service which will keep these people in and keep their families happy, so that they will not succumb to the blandishments of industry, if you like. Right now we have to compete with industry for our labour just exactly the same as any other large firm. There are no means of compulsory military service in Canada and for this reason we must compete with industry. We have to develop terms of service which will enable us to compete with industry on the same ground.

Mr. WINCH: Do you think you can develop the kind of loyalty that, having been trained in the service, you can maintain them? Is there a special drive for them and their families to maintain this kind of loyalty?

Mr. REYNO: Yes. We think they will develop loyalty to the unified force exactly the same as—

Mr. McINTOSH: Are you thinking of the 500 jet pilots, Mr. Winch?

Mr. WINCH: I am thinking of the technicians in radar and the highly skilled electricians—of course, I come to my own trade now; a brilliant one. We have lost a lot because of the additional blandishments of private enterprise.

Mr. REYNO: Yes, sir, but do not forget that the October 1, 1966 pay reorganization takes that into consideration. These men in the highly skilled trades which require a great deal of training are in the higher pay fields now—pay fields 6 or 7 in most instances—and their salaries equate with those in industry, but we are not on a level with industry yet as regards fringe benefits, mark you. There are still those aspects of service life, I suppose, which will always be a little difficult, such as moving from province to province or out of the country every so often for a year at a time, which create unhappiness and uneasiness within the family and that sort of thing. These things will be with us forever, but we have to create terms of service which will take care of them and, over and above them, create that loyalty and love of service which the men must have to stay with us.

Mr. WINCH: Have you ever thought of giving them the same rate of pay as private industry in order to hold them?

Mr. REYNO: They get pretty close to that now, sir, except that they do not get paid for overtime, unfortunately. Pay in industry is based on a 40 or 42 hour week in the main, and any work over and above that is overtime. It is no secret that many tradesmen in skilled trades in industry double their salaries by doing overtime work.

Mr. HARKNESS: I have one question.

The CHAIRMAN: I think Mr. Harkness would have a better chance of getting his question in if it were a supplementary one.

Mr. HARKNESS: Would you permit me, Mr. Smith, to put a supplementary question?

Mr. SMITH: Yes, go ahead.

Mr. HARKNESS: Air Marshal Reyno, education and individual training is one of your responsibilities. Does this mean that Training Command comes under your direct supervision or does it come under it only for education and individual training?

Mr. REYNO: It is my responsibility right now, sir, yes. Training Command, though, is being thoroughly reorganized, as I tried to point out in the brief, and by 1969 Training Command will have taken over almost entirely the training responsibility for the Canadian forces. At that time the training cell which I have on my staff will have moved lock, stock and barrel away from me and out to the Training Command in the Winnipeg area.

Mr. HARKNESS: When that time comes, will this education and individual training be entirely in the hands of training commands and cease to be one of your responsibilities?

Mr. REYNO: Yes, sir. However, the guidance given to the commander of Training Command will be given by the Chief of the Defence Staff and the Armed Forces Council, of which the Training Command commander himself will be a member.

Mr. HARKNESS: As far as individual training goes in this system, where is it to be carried on for the people who enlist, in order to go into the navy, army and air force elements?

Mr. REYNO: Do you mean, at what geographic point?

Mr. HARKNESS: Yes.

Mr. REYNO: I do not think I can be specific, sir. Do you mean in 1969?

Mr. HARKNESS: Well, where is it being carried on at the present time? Is it really still being carried on under the old system?

Mr. REYNO: By and large, yes; we are in the transitional stage now.

Mr. HARKNESS: Who is being trained at the headquarters of Training Command at Winnipeg at the present time?

Mr. REYNO: The Training Command at Winnipeg is directing the training of the air element, for example. It is in the process of taking over the supervision of all training in the Armed Forces. Is that what you mean, sir?

Mr. HARKNESS: I am talking about the individual training at this time, not the advanced training that an armoured corps man might receive at Camp Borden or something along that line. I am talking about the initial individual training—the basic training, if you want to call it that.

Mr. HELLYER: Mr. Harkness, if your question is, who is trained at headquarters at Winnipeg, then the answer is, no one. However, they are responsible for all individual training, including boot camp training, in all three services.

Mr. HARKNESS: Where do you propose to carry on the initial individual training under this new system when it comes into effect?

Mr. HELLYER: This is the question that Air Marshal Reyno said could not be specifically answered at the present time because that is part of the base consolidation study which currently is being undertaken.

Mr. HARKNESS: My understanding from what was said before is that most of what have been the basic training establishments throughout the country—for example, the depot for the Queen's Own Rifles in Calgary and the two basic naval training establishments—will be closed and that all these people, whether they go in for a navy, army or air force career, will be trained at some central place, or two or three central places, all in one blob, in each case.

Mr. HELLYER: I think this is the general plan for the first few weeks of their training only. The question of where it will be geographically has not been resolved.

Mr. HARKNESS: Under those circumstances, as far as the initial training corps naval types are concerned, do you think there would be any advantage in having this training carried on at some central point such as Rivers, Winnipeg, Camp Borden or somewhere else, rather than right beside the sea where it has been carried on up to now?

Mr. REYNO: It might be helpful, sir, if I read to you what we describe as the personnel training policy for men. Would you like me to do this?

Mr. HARKNESS: Well, if you think—

Mr. REYNO: It might be helpful, sir. As far as recruit training is concerned, it states:

Men joining the force will receive common recruit training established to meet one standard. The aim of recruit training is to effect the transition of young men from civilian to military life, and in so doing to produce an individual who is well motivated, disciplined and physically fit; capable of handling small arms.

Trade training follows:

In general men will receive trade training based on the general pattern of an initial formal course followed by progression through unit training and self-study. The initial course will be related closely to the tasks likely to be performed by men during their first engagement. At the same time it will provide an adequate theoretical base for the ensuing training on-the-job. Subsequent training in certain trades will require additional formal training in advanced or related skills. Special arrangements for trade training for French speaking men will be provided.

Environmental training follows:

Men will receive environmental training immediately following recruit training or on being posted to the particular environment concerned.

Leadership/Management training follows:

The objective is to achieve maximum utilization of resources in the effective conduct of the military mission. This type of training will be accomplished for men progressively through the medium of rank examinations, leadership courses and inclusion of management aspects in advanced and related skill training.

That is all for men, sir. I have roughly the same thing but adapted for officers' training.

Mr. HARKNESS: The situation really is that you do not know how this initial training is going to be carried on, say, four or five years from now after you get this system into full operation.

Mr. REYNO: That is another loaded question, sir, and I do not think I can answer it.

Mr. HELLYER: I think if you refer back to the Training Command briefing of last year it was made pretty clear as I recall—if not, it may have been one that I have seen subsequently—that the initial training for all new recruits will be done at one or two locations. This will be done in order to get a better utilization of resources because the load fluctuates considerably, and it will make it possible to provide the basic training at lower cost. Further, by having specialized facilities, all recruits will start out as part of the same basic family, as is now done at the military colleges. I do not think there is any doubt about the philosophy that is being developed, and the only question that really remains outstanding, I think, is whether it will be done at one or two places and where those places will be.

Mr. HARKNESS: Well, personally I fail to see how you are going to effect any savings that way, really, because the number of men trainers, we will say, required to train a hundred men will be in one spot. If you do not split them up into little blobs of 10 or 15 men at one place but have them in units, which has been the situation, where 100, 200 or more men are under training, then I do not see where there is going to be any savings by having, say, 1,000 or 5,000 in one spot rather than more or less on the system that we have had. In fact, I would think the cost might be greater because of transportation costs.

Mr. HELLYER: I beg to disagree with you, Mr. Harkness. I think on the basis of the training command study very substantial economies are possible in this initial training field. I am sure if you went over their submission you would agree with that.

Mr. HARKNESS: On page 6 of your brief we find:

Equitable pay based on similarity of classification;

In this connection, I should like to bring up the matter of the large increase in pay which was put in for pilots. The other air crew—and navigators in particular—who fly in the same planes, and so on, did not get nearly as much pay. Do you consider that is an equitable situation?

Mr. REYNO: That, sir, was simply a reaction to the law of supply and demand. The pilot nowadays is a very expensive commodity in the services, as you know. To be more specific, when we take a man who wants to become a pilot from the street and put him through all the training courses, and send him to Europe and give him the responsibility of maintaining a nuclear alert the investment by the Canadian taxpayers is almost \$500,000 per pilot.

An hon. MEMBER: Per pilot?

Mr. REYNO: Yes, sir, per pilot. For this reason we have to protect, exploit, and amortize that kind of investment. About 15 months ago we began to notice a very alarming trend in pilot losses so we were forced to do something pretty drastic about it. For this reason we simply had to offer pilots more money because civil air lines were offering them fabulous salaries, leading to as much as \$40,000 per year. We have some classic examples. One, in particular, is that of a flight lieutenant at Uplands who was flying in one of our best squadrons two years ago—a squadron of which we, as airmen, are very proud—412 squadron. He was a highly qualified aircraft captain in that squadron earning \$9,700 a year, flying a Yukon aircraft around the world. He then went around the corner and started working for the Department of Transport, flying a Viscount across Canada, at \$14,500 a year. We had to give the pilots a higher salary in order to keep them. This has been done and it has kept them.

Mr. HARKNESS: Well, my question was, do you consider that it is an equitable situation to have the navigator paid on one scale and the pilot paid on another? I have forgotten what the cost is to train a navigator, but my understanding is that you were just about as short of navigators as you were of pilots.

Mr. REYNO: No, sir, that is not true. The facts show that we were far better off then in terms of navigator strength than we were in pilots, but the trend in pilot losses was very alarming, as I said. Also, what forced us to make the decision we did is that there is really no civilian demand for navigators, but

there is a tremendous civilian demand for pilots. Right now, I cannot give you the name of a major air line in the world which is using navigators. Nearly all are using three pilots up front for flight safety reasons.

Mr. HARKNESS: You have not answered my question as to whether you consider this is an equitable situation.

Mr. REYNO: The people in the service seem to think so now, sir. They have accepted it.

Mr. HARKNESS: Well, a considerable number that I have talked to have not accepted it.

Mr. REYNO: I visit the Air Division periodically, and Greenwood and Trenton and many other flying bases and my impression is that they have accepted the inevitable and realize that we must pay the pilots more money. There is no other solution that we have been able to think of. Perhaps it is the poverty of our ability to think of something better, but we certainly picked all the brains we could find, and debated the matter for several months before recommending the solution subsequently accepted by the government.

Mr. HARKNESS: The basic situation still exists, though, that it is not an equitable situation and is not likely to make for, say, good morale.

Mr. LANGLOIS (*Chicoutimi*): Do you have a better suggestion?

Mr. CHURCHILL: In that connection, have you considered this question of stealing pilots from the air force?

Mr. MACALUSO: I will be very happy to take that into consideration, Mr. Chairman.

Mr. MCINTOSH: How many of the 500 pilots who were dismissed went to the Department of Transport?

Mr. HELLYER: Mr. Chairman, I do not want to comment on that observation of Mr. McIntosh, but I do not think it should go unchallenged, in this sense—there were not 500 pilots.

Mr. MCINTOSH: How many were there?

Mr. HELLYER: I would say approximately half that number.

Mr. MCINTOSH: Do you have—

Mr. REYNO: It was recorded in *Hansard*, sir, last year because I remember providing the information which the Minister placed on record.

Mr. HELLYER: Some were air control officers—I think we would have to get it out—and I believe many of them were very near to the end of their careers. I just raise this because I would not want you to get a false impression in this respect.

Mr. MCINTOSH: I do not have a false impression, I am just wondering, Mr. Minister. You said it took half a million dollars to train each one of them and because you do not have those additional pilots now you found it necessary to increase the wages of the present pilots.

Mr. HELLYER: We would not be able to retain them. Most of them still would not be available to us, because the ones who have permanent commissions are approaching compulsory retirement age.

Mr. McINTOSH: What percentage were approaching compulsory retirement age?

Mr. HELLYER: If you would like the details, I would be glad to get them for you.

Mr. McINTOSH: Yes, I would like to have them.

Mr. HELLYER: I think we could look it up in *Hansard* for you.

An hon. MEMBER: What are you going to do with them when you get them?

Mr. McINTOSH: I will use them.

Mr. HARKNESS: On page 6 of your brief it states:

The new command structure has been implemented and we now have personnel from each of the three services working side by side in the commands.

You mentioned a while ago, in answer to another question, that in Mobile Command this particularly was the case. What particular function is there for a rear admiral in Mobile Command?

Mr. REYNO: The man's name, sir, is Admiral McClure.

Mr. HARKNESS: My question is, what function is there for him to perform in Mobile Command?

Mr. REYNO: One of the supply functions, sir. He is in charge of logistics in the Command and he is a logistics officer by profession.

Mr. HARKNESS: But, he might just as well be an air force officer or an army officer.

Mr. REYNO: If he had a flair and an aptitude for both management and logistics at that level, yes, you are quite right.

Mr. HARKNESS: This is what I am getting at: There is no particular advantage in Mobile Command having a highly trained naval officer. In fact, I would think that his training to a large extent is wasted, by his being in that Command rather than one where his skills, which he has developed over 20 or more years of service, can be better employed.

Mr. REYNO: Our aim is to establish a common supply service, as you know. He is very familiar, of course, with the naval side, but he is also a very well trained man at management level and not only with regard to his own service. For this reason I think he would have a substantial input in establishing a good logistics policy for Mobile Command.

Mr. HARKNESS: By and large, what value is there in having naval personnel on the staff of Mobile Command whose operations are really land-air operations?

Mr. REYNO: I do not know what you mean by land-air operations, sir.

Mr. HARKNESS: Well, Mobile Command's operations are essentially land-air operations—or would be—and not naval operations.

Mr. REYNO: He will be essentially, sir, a logistics officer; a logistics manager, and such this particular...

Mr. HARKNESS: I am not talking about this particular person. I am talking about naval personnel generally posted to Mobile Command and I am questioning whether this is really not a misuse of highly trained manpower.

Mr. REYNO: I do not think so, sir, in the context of the organization which we are trying to develop. We are just capitalizing on abilities and aptitudes.

Mr. HARKNESS: Do you have people from all three services in Air Defence Command now?

Mr. REYNO: I would have to look up the books, sir, before I could give you a specific answer. Air Defence Command, though, is primarily an air force organization. We do have some army people in it, but I do not think we have any naval officers.

Mr. BOYLE: There is a very small number, sir. Some are actually flying in Air Defence Command and some are at North Bay who are themselves naval airmen.

Mr. HARKNESS: Well, I can see that naval airmen at Air Defence Command would be reasonable, and so on. I was wondering about other naval personnel. In fact my information was that there was only one naval officer at Air Defence Command some six months or so ago and he was the commander's ADC. This seems to me to be an example of what you might call integration for integration's sake. This naval officer, in my view, would be much better employed in some naval cast for which he was extensively trained rather than employed, in effect, as a social secretary. As you know, an ADC to a large extent is really the social secretary of the commander he is attached to.

Mr. REYNO: Perhaps I can only answer that by saying that I have an ADC here in the room and I do not think he would describe himself as a social secretary. (laughter)

Mr. HARKNESS: No, perhaps I should not have used the term "social secretary", but it involves all that sort of activity. Generally speaking, it seems to me that this is an area in which you could have a great deal of wasted manpower by posting, say, naval and army personnel to air defence command where they are not able to make use of their previous—and in many cases, extensive—training very effectively. Thus you would have a less efficient operation than if you had these people working in their own environments.

Mr. REYNO: As you well know, sir, from your own background and experience, the job of an ADC cuts across every facet of military management, because he is so close to the commander. He sees everything that the commander is doing, he receives all his correspondence, he attends all his conferences and that sort of thing. In the context of the unified force, of course, we can use a man with this kind of training from another force.

Mr. HARKNESS: I was not referring to that particular instance; my last remark was addressed to the whole general subject of posting people to various commands. In other words, I hope that there would not be a lot of posting just for the sake of integration, or just so you could say: "In every command we have

people from all three services now working side by side", and so forth. If you did that, I think there would be a considerable waste of talent in many cases.

Mr. REYNO: I hope, sir, we will not be doing that and I will certainly dedicate my energies to not doing it.

Mr. HARKNESS: You have food services under your jurisdiction. I brought this matter up last year in the Committee and I bring it up again now because it does not seem to me that this is the right place for it. The provision of food services, I would think, would be much more appropriate under the supply or logistics end of things rather than under personnel.

Mr. REYNO: As you know, sir, this has been a matter of debate for a long time. It is a matter of personal opinion, I think. Right now the current opinion is that it functions best under the Personnel Department. I know the people on that staff feel more at home on the Personnel staff than they would under the technical side of the house. In the fullness of time this may change; circumstances may require it; I do not know. Right now they are very happy where they are and they are doing a very effective job. Beyond that, sir, I cannot be more specific.

Mr. HARKNESS: Well, their activities are really much more intimately concerned with the logistics and supply end of things rather than the personnel end, are they not?

Mr. REYNO: Well, sir, food is a very important thing in the service as you know.

Mr. HARKNESS: Yes, it is one of the most important things. This is why I mention the matter again.

Mr. REYNO: If they are on the Personnel Staff they are close to the Welfare Staff and close to the people who are responsible for the maintenance of morale, the enhancement of morale, and so on.

The Personnel and Technical Branches of the Staff are in different buildings and I believe the Food Services people prefer to be part of the Personnel Staff because the impact of their work shows itself there. This is why they are very happy about it.

Mr. HARKNESS: Yes, but I would question whether it is the most effective way of supplying food. The two main elements in keeping troops happy as far as their food is concerned, in my experience, are that you have the proper variety of reasonable quality food and, more important, that you have cooks who can prepare it in the proper way. You could have the best advice in the world, but if the cooks are not qualified you do not get good food and the troops are not happy.

Mr. HELLYER: That is the reason, Mr. Harkness, this particular service is organized the way it is at the present time, because lots of people are qualified to deliver the food. But our very efficient head of this particular branch is doing a magnificent job in seeing that when it is presented to the troops it is not just food but something which is appetizing and which will enhance their morale and esprit de corps rather than otherwise.

Mr. ROCK: Mr. Harkness may want to mix some bolts with the food, or something. Would you mix bolts and nuts and hardware with the food?

Mr. HARKNESS: I do not think your remarks are very appropriate, Mr. Rock.

Mr. ROCK: I felt, Mr. Chairman, that he wanted it to come under the supply branch and supply everything else—

Mr. HARKNESS: No, the supply of food is under the supply branch. Perhaps you did not know that, but that is where it comes from. As I say, it would seem to me that the whole food matter should be in one package rather than separated this way, with the cooks and people along that line under one branch and the actual supply of the materials they have to work with under another.

Mr. LANGLOIS (*Chicoutimi*): May I ask a supplementary here. Air Marshal, have there been complaints lately on food from the members of the forces?

An hon. MEMBER: Every day, I would think.

Mr. REYNO: I agree with what has been said. There are always a few complaints but they are remarkably few. The standard of messing the forces is as good as I have ever seen it.

Mr. CHURCHILL: Mr. Chairman, I have a supplementary.

The CHAIRMAN: Yes, Mr. Churchill.

Mr. CHURCHILL: Let us go back to one that Mr. Deachman asked the other day. Is it essential for unification that food services be under personnel?

Mr. REYNO: No, sir.

Mr. CHURCHILL: Yesterday the Air Marshal Sharp just answered "yes" or "no" to those questions.

Mr. HELLYER: Mr. Chairman, I wonder if I might now answer Mr. McIntosh's earlier question about the 500 pilots.

There were 512 officers released in the summer of 1964.

Mr. MCINTOSH: These are air force officers you are talking about?

Mr. HELLYER: Correct. This figure was composed of 195 pilots with permanent commission; 89 pilots with short service commissions; 40 navigators with permanent commissions and 162 with short service commissions. There were also 26 air traffic control officers released in the group. You can see, therefore, that the figure of 195 is the only one open to criticism; this is the pilots. The 89 short service commissions had finished, or were finishing, their term of service and at that time it was estimated there would not be a shortage as a result. On the contrary, it was because there was an anticipated surplus that this recommendation was originally made.

Of the 195 officers with permanent commissions who were released, not one was below 43 years of age. That is, they were all within two years of retirement and, in fact, 31 of them were actually over age. This also means that all the 164 remaining Flight Lieutenant pilots with permanent commissions would, without exception, be out of the service now. Therefore, I think this puts it in perspective. It still does not mean that if we could turn the clock back you would not look at it differently but it does, I think, put the recommendation which was put forward in all good faith at that time in the proper perspective.

Mr. FORRESTALL: Could I just react to the Minister's answer, Mr. Chairman? I am curious. Are you suggesting to us that none of the remaining 228 officers

—apart from the 195 and the 89—had air flight training or, at some point in their careers, had not been trained as pilots?

Mr. HELLYER: I am sorry I do not understand your question.

Mr. FORRESTALL: Are you suggesting that the remaining 228 had received no pilot training?

Mr. HELLYER: No. There were 89 short service commission—

Mr. FORRESTALL: I am sorry, Mr. Minister. I understand that, but had not the 40 short term navigators, the 162 permanent commission and 26 ATC men, at some point in their professional career, had pilot training?

Mr. HELLYER: I could not answer that question, Mr. Forrestall, except to say they were not at that time, presumably, qualified pilots.

Mr. FORRESTALL: Or they might very well have been qualified pilots, but not operating as pilots?

Mr. HELLYER: Well, I think this is a matter of semantics as to which list they were established to.

Mr. FORRESTALL: Well, it was a question of the training costs with which I am somewhat familiar. I thought all 500, or a great majority of them, were pilots and I am glad that was cleared up. It was also my understanding that substantial number of the other 228 also, at some point in their professional careers—

Mr. HELLYER: It is not unusual for a pilot who is washed out or medically downgraded to go into one of the various other fields.

Mr. FORRESTALL: Navigation or air traffic control?

Mr. HELLYER: Yes, but he may not be qualified to go back to flying.

Mr. FORRESTALL: Well, my question was just in the interests of complete accuracy because we were concerned about 500 times half a million dollars. And I am not suggesting that the cost of training all pilots—

Mr. HELLYER: Yes, you are really talking about the effective investment at that time, not the original investment, because if a pilot is no longer medically fit the investment then ceases to be valid in so far as that particular requirement is concerned.

Mr. HARKNESS: I would like to ask one question with regard to this figure of \$500,000 to train a pilot that you just gave us. When did the cost go up to that? Some four or five years ago the cost figure that we were working on in the Department was around \$175,000 to \$200,000.

An hon. MEMBER: Everything is more expensive under the Liberals.

An hon. MEMBER: Most of them are very conservative.

Mr. HARKNESS: Mr. Chairman, I think I have asked a question.

The CHAIRMAN: Yes, Mr. Harkness has a question. If you have a supplementary after his question you may ask it.

Mr. LANIEL: Yes, but he came in without asking you, Mr. Chairman.

Mr. HARKNESS: I had the floor; I was questioning.

Mr. LANIEL: I beg your pardon.

The CHAIRMAN: Do you want to answer Mr. Harkness' question?

Mr. REYNO: I am glad you asked the question, Mr. Harkness, because I was looking for an opportunity to break in to explain the \$500,000 figure. In the context in which I used it, I referred to the pilot who was sent overseas to fly the CF 104. This meant that the man has to go through the OTU at Cold Lake which is a very expensive process, and in this particular instance this 104 pilot is the fellow who goes over and sits on the nuclear weapon in Europe. This man is the most expensive resource we have in the pilot branch. If you train a man to be a transport pilot or a training instructor the cost is much less, but the lowest of all of the categories is not less than \$300,000.

Mr. HARKNESS: I say, why has the cost of this gone up so much in four or five years? Is it due to the fact that you are now training considerably fewer pilots than was the case at that time; because we are no longer training people from other countries as we were some five or six years ago and, therefore, the unit cost has gone up because the number of people being graduated is less?

Mr. HELLYER: I think, Mr. Harkness, it is due to the high cost of flying those very expensive aeroplanes that are required.

Mr. HARKNESS: I am not talking about those particular things. As the Air Marshal said, the cost of training pilots is not \$500,000 for every pilot in the RCAF.

Mr. REYNO: That is right.

Mr. HARKNESS: In the case of many of these pilots the cost was much less than that.

Mr. REYNO: Agreed.

Mr. HARKNESS: And at the present time it is much less. It depends on the type of aircraft that they have been trained to fly.

Mr. HELLYER: That is right, but the hourly cost of many of the types now in use is higher than previously. I do not have the figures here, but I am sure the cost per hour of operating a Tutor would be higher than the cost of operating a Harvard. Would you know?

Mr. REYNO: I would not want to hazard a guess on it, sir. Perhaps Air Marshal Sharp would know.

Mr. HELLYER: This accounts for part of the escalation, but if you really want accurate figures we would be pleased to get them for you.

Mr. HARKNESS: My question was: Is one of the main reasons for the fact that the cost is now apparently very much greater than it was a few years ago due to the fact that we are turning out far fewer pilots than was the case at that time and, therefore, the unit cost is up?

Mr. REYNO: We are turning out roughly the same number of pilots, sir. The production is about 160 or so a year. That has been standard for quite some time, except that we are forecasting a shortage in pilots and we will probably have to increase our training from now into the seventies, to what degree we are not yet sure.

Mr. HARKNESS: Well, what are the factors that have caused this great increase in cost, then?

Mr. REYNO: The new type of aircraft, sir—the 104.

Mr. HARKNESS: Yes, you have to give this extra pilot training of Cold Lake and, therefore, your costs for 104 pilots are well up. But so far as the basic training of pilots and the training of pilots for transport aircraft of all kinds, is concerned why is the figure now, as you say, \$300,000 rather than \$175,000?

Mr. REYNO: I would have to get you a special specific costing index and I could only speak to that. I know these are the figures which were given to me by the Comptroller's organization at CFHQ, and I speak to them.

Mr. HARKNESS: Well, it seems an enormous cost increase and I think, perhaps, we should look into why it has taken place.

The CHAIRMAN: Have you completed your line of questioning?

Mr. HARKNESS: Well, I will stop for the moment, because I see it is 12 o'clock, for one thing.

Mr. McNULTY: Air Marshal, you mentioned a sum of \$2 billion being spent by the United States government on computers and I took from your remarks that a portion of this amount would come from the United States defence budget. Is that correct?

Mr. REYNO: No, Sir. I suppose the \$2 billion is coming from the pockets of the United States taxpayers and spent by the government for computers in the United States organization. A part of that sum is being spent in the defence department.

Mr. McNULTY: Is being spent in the defence department?

Mr. REYNO: Yes, I am afraid I do not have the percentage of that \$2 billion which is being spent in the defence department, but could probably get for you.

Mr. McNULTY: Does this mean then that some of these computers are used on a part time basis by the United States defence department?

Mr. REYNO: Yes, sir. Here again, I do not want to be looked upon as an authority for the United States organization in Washington, but I do know that they are trying to exploit the potential of every one of the computers because they are so very expensive. The cost of computers ranges all the way from \$200,000 to \$6 million, depending on what the computer is to do.

Mr. McNULTY: Will all these computers that you contemplate for the defence department be used a hundred per cent by the defence department, or will there be opportunity for other governmental departments to make use of them?

Mr. REYNO: Here again, I would not want to speak for the governmental organization of Canada, but my opinion is that the Government would want to exploit the computer—it is such an expensive piece of equipment—to the maximum degree possible. Therefore, if it is not being used to 100 per cent of its capacity I would hope it would be available to all government departments.

Air Marshal SHARP: An organization is set up now that enables this and, in fact, there is trade-off between government departments on these computers already.

Mr. McNULTY: Just like business and industry, you would be able to share time on computers?

Mr. SHARP: Yes, sir.

Mr. HELLYER: While we are on this subject perhaps I could partially answer the question raised earlier by Mr. Winch with respect to our pay computer. Apparently it will be a Burroughs 5500 and this has been approved by the Treasury Board. The cost to us will be \$20,000 a month rental, and the delivery date will be August, 1967. That gives you the order of magnitude for that kind of computer.

Mr. McNULTY: Do you consider, Air Marshal, that these computers will be more economically used and provide more benefits in a unified force than they would under present conditions?

Mr. REYNO: I think so, sir. I think they will enable us to manage ourselves better, anyway. This is becoming very apparent in the United States, which is why there is this tremendous expenditure by the United States government.

Mr. McNULTY: Well, then, you believe in the unification of the forces?

Mr. REYNO: Yes, sir.

Mr. FORRESTALL: Mr. Chairman, perhaps it is 12 o'clock, or do you wish to carry on?

The CHAIRMAN: General Dare will be before us this afternoon. We will complete the questions, if we can, with Air Marshal Sharp. Before doing so, could I have a motion to pay the reasonable travelling and living expenses of two witnesses from TRIO who are appearing before us tomorrow?

Mr. FORRESTALL: I so move.

Mr. ROCK: Would this be in order?

The CHAIRMAN: I am told by the secretary that it is.

Mr. MACALUSO: Will they come on their own volition?

The CHAIRMAN: If you recall, we decided that we would pay the reasonable travelling and living expenses of witnesses that we have invited to appear.

Mr. FOY: I will second the motion.

The CHAIRMAN: All in favour? Contrary minded, if any?

An hon. MEMBER: I am not in favour.

The CHAIRMAN: We already said that we were going to do this.

Mr. MACALUSO: Is this not setting somewhat of a precedent, Mr. Chairman?

The CHAIRMAN: I do not think so.

Mr. LANIEL: We have been doing that.

Mr. MACALUSO: It does not mean to say that we have been doing it rightly.

An hon. MEMBER: He should have been invited earlier.

Mr. MACALUSO: I am concerned with the policy of doing this.

The CHAIRMAN: Before we take this vote, I should explain that I understand we are setting no precedent, that it has been done before in this Committee and in other Committees. We already have agreed to it.

Mr. MACALUSO: I was asking on a point of information.

Mr. BREWIN: Mr. Chairman, may I point out to Mr. Macaluso that this policy enables us to have before this Committee unofficial witnesses who might not otherwise be able to get here, and it has proved extremely valuable in the past. The Steering Committee has exercised very good judgment in not inviting anybody at all, and I suggest that this method of operation is sound and that we should not depart from it.

Mr. MACALUSO: I appreciate Mr. Brewin's explanation, Mr. Chairman. That is what I was asking for.

Mr. ROCK: Mr. Chairman, I have been on many committees but this is the first time I have heard the Chairman ask committee members to approve an expense. I did not think that we had the right to approve expenses. This is the only thing that I was questioning. I thought this usually was done automatically, but not by the committee members.

The CHAIRMAN: Well, I am taking the advice of the secretary.

Mr. SMITH: This was gone into, Mr. Chairman, with the Treasury Board in 1963, when Mr. Sauve was the chairman of the committee and it was first decided to bring in independent witnesses outside the government service. It was done at that time, and it has been approved procedure.

Mr. MACALUSO: But this is done only if the Committee invites the witness.

Mr. SMITH: That is right.

Mr. LANIEL: Mr. Chairman, if I remember correctly, in 1963 it was right in our terms of reference.

Mr. SMITH: Yes, I think you are right.

The CHAIRMAN: Are we ready for the question? All in favour? Contrary-minded, if any?

Motion agreed to.

Mr. BREWIN: Mr. Chairman, on another point of order may I suggest that where at all possible we finish the examination of one witness before we proceed with another. I appreciate that you have made certain arrangements but I find it unsatisfactory, and perhaps other members do, to perhaps have to jump from one witness to the other before we have completed with that one.

The CHAIRMAN: Yes, I can sympathize with you. As I see it now, we have two more questioners for the Air Marshal who is before us today. We have about four more questioners for Air Marshal Sharp.

Mr. SMITH: Could we not finish with them this afternoon before we start another witness?

The CHAIRMAN: Yes, I think that would be a good move.

Mr. LANIEL: If we continue until twelve-thirty, I think we might finish.

The CHAIRMAN: What is the feeling of the Committee now? Mr. Forrestall, you will probably be one of those most concerned in this. Do you feel that your questions could be completed within, say, ten minutes or so.

Mr. FORRESTALL: Mr. Chairman, let me explain my position this way. I am not at all satisfied that in ten or fifteen minutes I can extract from any

of the witnesses in front of us the information required to satisfy in my own mind just what in God's name it is that we are doing here.

We are moving very, very quickly. I would like to speak again to Air Marshal Sharp. I would like to have at least two rounds with that distinguished graduate of St. Mary's University who is our present witness today. I cannot quite see why this headlong rush. Could we not add a couple of days on somewhere, perhaps toward the end?

The CHAIRMAN: Well, you know what the difficulty is. We have already been into this. We are trying to make as much progress as we can. Other committees do, I know, continue on.

We have the three periods allocated to us today, if we wish to use them. If we could get through in two periods, so much the better, I think, for all of us. Could we go on now for say fifteen minutes. Would you agree with that?

Some hon. MEMBERS: Agreed.

Mr. FORRESTALL: Air Marshal Reyno, I would like, if I could, to clarify something that has been a point of confusion in my mind. Your experience has been lengthy in the services and you might be able to reach into the past and satisfy this point for me.

My understanding is that in the past, when officers received their commissions in the services, they entered into a contract with that specific force. Now, I understand that was not a generality, but there were enough instances of this kind to make it a viable position. They entered into personal contracts and, quite possibly, yourself, when you received your commission, signed a contract with the Queen or with Canada in the right of the Queen. Is this correct?

Air Marshal REYNO: All I signed, sir, was the oath of allegiance back in the summer of 1938, when I received my commission. The only contract I had was a gentleman's agreement with the government plus the fact that I was proud to hold the commission. But as far as specific contracts in legal terms are concerned, and this, I presume, is what you are getting at, I did not sign anything like that.

Mr. FORRESTALL: Did you understand your gentleman's agreement to be with the Air Force or with Her Majesty's forces.

Mr. REYNO: I think I would interpret it really as having been an employee of the government of Canada, working in the specific service of the Air Force.

Mr. FORRESTALL: The reason I ask is that there has been, what I can only consider, major concern on the part of a lot of people holding commissions in respect of the lack of an opportunity at some later date, which is getting relatively close at the rate we are going, at which people will simply be transferred from the RCN, for example, to the Canadian Armed Forces, without any option, choice or freedom to make their own decisions. In the light of that concern, could you explain to the Committee the principle or the philosophy behind this? I refer you to section 6 of the Act, the continuation of the "Missions" section.

Mr. REYNO: When you say it is of concern, I do not think I agree with that. I have not found any indication of concern in that connection.

Mr. FORRESTALL: I could send you, Air Marshal, several hundred letters voicing concern in the strongest terms possible, but I cannot do this because these letters are labelled, "Confidential", "Personal" and "Please do not show to anybody."

Mr. REYNO: Perhaps I gave you the wrong impression. There are areas of concern, obviously, as you know. There are areas of concern, I think, when changes are made in any organization, whether it is civil or military. But we have roughly 14,000 officers and my generalized answer, to begin with, was that there is no such concern. Now we can debate this point as regards individuals, if you like, but from my point of view I do not think there is much general concern. When one joins the force, he joins a specific service alright, but his loyalty points to something larger than that, to the country itself, and I do not think it will really make much difference if a member or an officer is classified as being in the Armed Forces of Canada rather than in the Navy, the Army or the Air Force. That is my opinion.

Mr. FORRESTALL: Well then, could we get a little more specific about it. Are you suggesting to me then that this was just a routine thing done to facilitate management procedures and so on, and that the simple way to do it was just to set out in the Act that anybody serving in the present structure would be deemed to be continuing in their service under the new structure. Was this done simply to facilitate personnel management difficulties or problems that might arise if any other procedure was in effect.

Mr. REYNO: That is getting dangerously close, sir, to a point of law and I would prefer to have a legal officer answer it, if you would not mind.

Could I ask Brigadier Lawson, would that be agreeable to you?

Mr. FORRESTALL: Mr. Chairman, without arguing with Air Marshal Reyno, I am quite convinced that there is an area of concern with many officers, hundreds and hundreds of them as a matter of fact. I cannot speak for the Army and the Air Force with any particular qualifications but I can about the Navy; they are very disturbed, and I think it would ease their mind if this could be dealt with. I would be prepared to let it go until some other stage in our hearing. Would that be a better way to deal with it?

Mr. HELLYER: When we get to the clause-by-clause consideration of the Bill, perhaps Brigadier Lawson—

Mr. FORRESTALL: Well, I would sooner have it discussed in an informal way here in Committee without getting into the really fine points.

Mr. HELLYER: Well, we will be going through it clause-by-clause in Committee—

Mr. FORRESTALL: Oh, we will get to that stage, will we?

Mr. HELLYER: —before the Committee reports back.

Mr. FORRESTALL: Pardon me. Like Mr. Macaluso, I am also very new, and also a civilian.

You said, Air Marshal, in reply to a question, this morning, that you were very satisfied with present recruits. Would you elaborate on that?

Mr. REYNO: I can, sir, with the Minister's permission, provide you with an up-to-date briefing on recruiting, if you would like to be really specific about it. But, other than that I do not think I can elaborate much on my own general statement that we are satisfied with recruiting. Last month was the best month that we have had for years.

Mr. FORRESTALL: In respect of both the commissioned and non-commissioned level?

Mr. REYNO: Yes, sir, in recruiting generally. Re-engagement rates are also holding well.

Mr. FORRESTALL: They were in very bad shape, as I recall, earlier last spring. The minister shakes his head, but I believe that he was a bit concerned in the House about re-engagements.

Mr. REYNO: If you wish, I would be glad to provide a recruiting briefing by the Director of Recruiting, who will give you specific figures on re-engagement rates, recruiting rates and so on. I have it ready, as a matter of fact.

Mr. HARKNESS: In that regard I put a series of questions on the order paper some time ago and I have not had any answers yet. I wonder if we could have those answers immediately. You say you now have them ready.

Mr. REYNO: I do not know if the answers to your questions are ready, sir, but I have a recruiting briefing here—

Mr. HARKNESS: The questions were in regard to the number of recruits in each month during 1966, the number of separations from the services, the categories of them and so forth.

Mr. HELLYER: Pardon me. If I may advise on this, the problem is, subject to a correction by the Group Captain here, that the figures we have available today are up to the end of November. The figures for December will be available some time next week.

Mr. HARKNESS: If the figures you have are only up to November, how is it, Air Marshal, you were able to say that recruiting figures for this last month are so much better.

Mr. REYNO: These are preliminary figures, sir. Mainly because I like to keep very close to them I get information by telephone through my Director of Recruiting, but this is rather unofficial. Before committing them to the record I would want to check them.

Mr. FORRESTALL: I have just one or two more questions, Mr. Chairman. Air Marshal, earlier you quoted from your guidance book with regard to recruit training, trade training, environmental training, management and so on up the line. Could I ask you about environmental training. Do you envisage that once these people have their basic disciplinary training and so on that, for example, those going into Maritime Command would receive environmental training in actual day to day operations or would this be at an environmental training school, which is not involved in day to day operations.

Mr. REYNO: Well, we would certainly prefer to have it day to day with training right in the environment. This is what I mean by environmental training.

Mr. FORRESTALL: You hesitated a moment. Have you not made a final decision on this yet, sir.

Mr. REYNO: No, I cannot say specifically, maybe because I am afraid of the conclusion that you might draw from it.

Mr. FORRESTALL: Mr. Chairman, the next area that I wanted to get into is rather lengthy and some one suggested it is 12.15.

The CHAIRMAN: I think there would be considerable advantage, as Mr. Brewin said, in completing our questions with one witness before it gets too complicated.

Mr. FORRESTALL: Well, I will pass. I have a 12.30 meeting and a one o'clock meeting. I am trying to accommodate the Committee. I would like to keep the Air Marshal here for many hours, quite frankly.

Mr. CHURCHILL: I would like to ask a supplementary just on the last question.

The CHAIRMAN: Yes, Mr. Churchill.

Mr. CHURCHILL: In respect of environmental training, I understand that basic training is going to take place in one centre. When men are shifted for environmental training in the Navy, where will that training take place? I understood in an answer given to Mr. Harkness earlier that the base establishments in the Maritimes have been closed down.

Mr. REYNO: It will be done on the coast some where, sir, close to the sea, and to the greatest extent that we can on the sea. With respect to the establishments which you feel might be closed down, I cannot be specific on that because I do not know of any firm plan yet to close any specific bases down.

Mr. CHURCHILL: In order to give this environmental training to the Navy, for example, after the basic training is complete will they shift to a naval environmental training centre on one of the coasts?

Mr. REYNO: Yes, sir.

Mr. CHURCHILL: They will be land bases, and will they then move on to ships?

Mr. REYNO: Yes, sir.

Mr. CHURCHILL: Will these ships actually be going to sea or will they be tied up in the harbour?

Mr. REYNO: Oh, no: we hope to have them at sea.

An hon. MEMBER: Just the way it was when you were a Minister.

Mr. McINTOSH: There are only fifty percent of the ships available now.

The CHAIRMAN: Mr. Laniel, do you have a short question?

Mr. LANIEL: I have just one question, Mr. Chairman.

Personally, I am quite satisfied with the proposed objectives with regard to personnel management, re-organization, computerizing and so on. Although I am impressed by technology, I am concerned a little, because while I admit that you

can computerize data on material or things like that, when it comes to human beings, it is different. Would all these processes eliminate boards? I do not think a computer can assemble all the information or rate the capacity of an individual.

Mr. REYNO: That is a very good question, sir, and thank you for asking it. I hope that I did not convey that impression because a computer is really just a means of doing a tremendous amount of difficult and detailed work and having it available very quickly in an easily readable form for management to work on. Certainly the application of human judgment to the data produced by the machine is the only answer in any organization and, as one who is responsible for the management on the personnel aspects of the integrated force, I can assure you that this is the way it is going to be done.

Mr. LANIEL: You speak of centralization. Will the data be interpreted at a high or low level? This might be a concern. The result might be different if it is done at a higher level rather than a lower level.

Mr. REYNO: No sir. We are going to have a centrally-controlled and managed personnel organization, so I hope there will be no possibility or a greatly reduced possibility of misinterpretation of data. Certainly there will be enough people processing the data so that no grave mistakes anyway will get through. However, it will only be as good, I suppose, as any other organization that is run by human beings. We are all fallible. It requires common sense, sir, and good management and that sort of thing. I can only give you an intangible answer.

Mr. LANIEL: I was worried that too much would be left to the machine.

Mr. REYNO: No, sir.

Mr. SMITH: When we were talking about the new recruit, you said there were five years general service, at the end of which he would be promoted to Corporal if he was kept. Is there any prohibition on his being promoted to Corporal within the five year period?

Mr. REYNO: No, sir, but he would have to be a very capable person. There is provision made for the ambitious chap with proven potential, if one of his seniors reports on him to this effect.

Mr. SMITH: But there is no prohibition that he has to stay at that rank.

Mr. REYNO: No sir. We are looking for people like that all the time.

Mr. MCINTOSH: In regard to personnel qualifying, say, for Corporal, is he automatically paid as a Corporal?

Mr. REYNO: Yes, sir.

Mr. MCINTOSH: That is rank structure. Now in regard to trade: as he qualifies for a trade, will he be paid at that rate or will he have to wait until he is employed in his trade.

Mr. REYNO: No, sir. There are five separate pay fields now, and the 97 trades, as you remember, are segregated into these five pay fields. You can move across the pay fields, which means you can progress from the lowest pay field to

the highest one, if you are smart enough and ambitious enough. This is one of the good things about the organization. You can also progress upward in rank in your own pay field and get more pay for this as well. You can progress right up to Warrant Officer in your own pay field.

Mr. McINTOSH: Previously a person could be qualified in several trades. How would this work? Would he be paid for each one he is qualified in or the one he is employed in?

Mr. REYNO: He would then, sir, have the choice of choosing the one, I suppose, which would give him most money and he would go into the pay field in which his chosen trade was placed.

Mr. McINTOSH: Why do you say, "I suppose"? Would he have that chance.

Mr. REYNO: Well, today, people do not always want what gives them the most money. They like to work sometimes where they are most happy.

Mr. CHURCHILL: I have a further supplementary. Is there any special pay for the man who comes in contact with the enemy? Does the gunner in a tank or the rifleman who does the patrol work and who first sees the enemy, get any special pay?

Mr. REYNO: He is in the middle pay field, sir, and he gets more pay than those in pay fields three and four. We begin with pay field three and continue through four, five, six and seven, and the infantry soldier is in the middle pay field, five. There is no comparable civilian trade to equate this man against, so there is really no comparison.

Mr. CHURCHILL: Where is the gunner in a tank?

Mr. REYNO: He is in the middle pay field, sir.

Mr. McNULTY: Mr. Chairman, on a point of clarification, is there any combat pay?

Mr. CHURCHILL: Is there any special inducement for the man who is apt to be killed?

Mr. REYNO: No.

The CHAIRMAN: Gentlemen, shall we meet again after Orders of the Day?

Mr. HARKNESS: I had a considerable number of other questions I would like to ask Air Marshal Reyno. I do not think that there is time to do it now because, as already has been pointed out, we have to get something to eat, and we have other things to do. I would like to have an opportunity of bringing those questions up.

The CHAIRMAN: We will commence then with Air Marshal Reyno after Orders of the Day and then complete our questioning of Air Marshal Sharp and the minister. I understand that the minister is going to be here to answer questions all during our deliberations.

Mr. SMITH: To supervise.

The CHAIRMAN: Thank you.

AFTERNOON SITTING

The CHAIRMAN: When we adjourned we were still questioning Air Marshal Reyno. Mr. Forrestall had to interrupt his questioning because he had to leave, and we carried on after he left. Now we will revert to Mr. Forrestall, if he is ready to proceed.

Mr. FORRESTALL: I wanted to ask the Air Marshal if he could tell us anything about the effect of integration and the present progress of plans to this end; also what actual integration may have taken place at some of the supporting levels—and I am thinking particularly in respect of your own responsibilities but specifically with regard to the civilian support sector. Perhaps you might elaborate a bit and tell us, within your present scope of responsibility, the number of civilian employees that you have at present.

Mr. REYNO: Yes sir, I do not have it with me, but I am sure that a member of my staff can provide that number for you. You wish the number of civilian people working for the Department of National Defence?

Mr. FORRESTALL: Yes. You do not have the exact figure, but is it one hundred or two hundred? Within the scope of your responsibility of personnel, how many would you have in the personnel branch itself of civilian status.

Mr. REYNO: I do not think I could even hazard a guess on it. The administration of all their careers, of course, comes under the Assistant Deputy Minister for personnel, I deal with him all the time and he sits in at all the staff meetings which I hold. You want the number of civilians who are working on the staff of the Chief of Personnel?

Mr. FORRESTALL: Yes, Air Marshal. What I am getting at is this. Earlier in the year, in response to a question asking if the government could set forth, using any method of measurement they wanted to, some indication of the reductions that have been made possible by integration, and it was suggested by Mr. Cadieu, without reading it or getting into any detail, Air Marshal, for example, that at headquarters there had been a reduction of 26 per cent in staff; that in Training Command there had been a reduction of 13 per cent in the training complex; recruiting, 33 per cent; information services, 60 per cent: What has happened to these people? Have they left the services, entered the civil service and are they back perhaps in their old jobs, except this time in a civilian capacity.

Mr. REYNO: The only means by which it would be possible to specifically answer that question would be to go through the machine records and find out where they have all gone. A number of them left because of normal attrition, having reached the compulsory retirement age and the positions just were not filled. A substantial percentage of the figure would be in that.

Mr. SMITH: How much of the reduction was apparent and how much of the reduction was real? I think that is the essence of Mr. Forrestall's question.

Mr. REYNO: I would have to get my records, which I do not have here, to answer your question.

Mr. FORRESTALL: Could that information be appended or included later? It would not be necessary, at least not as far as I am concerned, to bring you back to give us that information, if it could just be made available to us.

Mr. REYNO: Fine.

Mr. HELLYER: Mr. Forrestall, I could give you some over-all figures for headquarters, not just this branch, if they would be of any use to you. On March 31, 1960 there were 1886 officers and 1153 other ranks, for a total service strength of 3,039.

Mr. FORRESTALL: Mr. Minister, what do those figures relate to?

Mr. HELLYER: This is National Defence Headquarters. The figure for civilians is 4,847, for a total of 7,886. On September 30, 1966 the totals were: service officers 1,635; other ranks 850; total service personnel 2,485; civilians 3,105 for a total personnel of 5,590.

Mr. FORRESTALL: That would spell out in numbers the 26 per cent reduction.

Mr. HELLYER: Something of that order.

Mr. FORRESTALL: Could I ask the Minister to advise the committee what has happened to these people. Have they indeed been let go? Are they no longer members of the armed services, in the case of commissioned men, the lower ranks, and indeed the civilians—there are 1740 civilians. Could you tell me whether or not they are still employed?

Mr. HELLYER: I think as the Air Marshal said, that if you wanted to have a specific answer to that, you would have to go through every file. I am sure that some of them are no longer in our employ; some of them have reached compulsory retirement age—I know this from some individuals that I can think of, and others may have gone to other government departments, for example.

Mr. FORRESTALL: What is your policy in regard to this? When you effect a saving, is it the procedure of the government to retain these people until they have possibly found some other niche they could fit into, or do you give them normal notice and discharge them.

Mr. HELLYER: At the present time there is a further reduction planned for the civil personnel of the department but over-all, across the board, and this is being achieved to the maximum extent possible by attrition. As a matter of fact, the length of time to achieve the reduction has been extended in order that we could more fully meet the reduction by attrition rather than having to give notice to people. Two things happen during this time. Some of those people will seek and obtain jobs which are available in other government departments; some may leave and go to civilian employment; some may reach compulsory retirement age and so on. However, the total reduces for all of these reasons over a period of time and the vacant positions, as they occur, are not filled.

Mr. FORRESTALL: It is a simple attrition process; when somebody goes the job is not filled. The government then is not in any great rush to push people out. For example, when you say that you can reduce three jobs to one, it is not your intention to simply ease these people out and give them a month's notice.

Mr. HELLYER: I think, we have found from our experience over the last three or four years that you can achieve approximately the same result over a slightly longer period of time, just through attrition and with much less dislocation of people. The disadvantage of doing it too quickly is that you then have to take arbitrary measures whereas if it is achieved over a longer period of time, it can

be done much more easily. That does not mean that you may not have to give notice to anyone in addition; it may be necessary that some people would have to be given notice ultimately, but the numbers compared to the full reduction would be very small as against the situation if you were to attempt to achieve this very quickly.

Mr. FORRESTALL: If you had forty typists—I am trying to reduce it to my level—twenty working for the Air Marshal and twenty working in another department, would there be sufficient flexibility, if you found that you were able to reduce, if you split them in two, thereby effecting a reduction of 50 per cent? Also, would there be sufficient flexibility built in to enable you to transfer ten per cent to another department, if required?

Mr. HELLYER: These are civil service jobs and they have some preferential treatment in filling other available civil service jobs.

Mr. FORRESTALL: By way of normal competition.

Mr. HELLYER: They are given some additional assistance in this, where a reduction is being effected.

Mr. FORRESTALL: Is there any way that we could in the course of our inquiries here, determine what in fact has happened to these people, for example the 60 per cent reduction in personnel in the information services?

Mr. HELLYER: We could go over those files individually, if you feel that it is important enough that we do so.

Mr. FORRESTALL: I feel that it is only important in the sense that we are talking about people out of work, and I am thinking particularly of Halifax where some 10.5 per cent of our labour force is out of work. I am not thinking wholly of skilled, semi-skilled, clerical or administrative civilian help; I am thinking in terms of people who leave the services and find themselves part of the 10.5 per cent for some extended period in the maritime area. In that sense it is important. I do not want statistics to the effect that 17.4 men were transferred from here to there. I want to know whether or not these reductions in staff have been absorbed elsewhere.

Mr. HELLYER: We could do that. I think this would be an extreme case in that it would not be representative of the total experience. However, if it is your wish, we could give you a statistical analysis in this connection.

Mr. FORRESTALL: I would like to have it if it is not going to involve too much work.

Mr. HELLYER: It is not a large number so I do not think it will take us more than a day or two to get that for you.

Mr. FORRESTALL: Well, if possible, I would like to have it.

Mr. HELLYER: Are you relating your question back to August, 1964?

Mr. FORRESTALL: Could you use the years 1965-66 and 1966-67 on which to base your percentages so that there will not be any confusion. A pattern would show up in two years, would it not?

Mr. HELLYER: I think you are really concerned about the reduction that took place in this section, and the time during which it took place.

Mr. FORRESTALL: Yes.

Mr. HELLYER: If we take the appropriate time period, that would be satisfactory.

Mr. FORRESTALL: That is fine.

Mr. Chairman, I will not pursue my questions further until we have legal counsel.

Mr. HARKNESS: I would like to ask a few questions along the line that Mr. Forrestall has just been following, but from a somewhat different point of view. The purpose, which was expressed here, for the re-organization which is taking place at headquarters, commands and so on is to reduce the administrative costs, and we have figures with regard to the number of service and civilian personnel on two different dates, showing a considerable reduction in civilian personnel and a much smaller one in service personnel. I am wondering, at the same time, what the actual reduction in cost has been and, particularly, to what extent, say, has the stepping up in ranks offset any money savings that might have resulted from the reduction in personnel. For example, in 1963 there was one full general and three lieutenant generals or equivalents in the forces. At the present time there is still one full general. How many lieutenant generals are there?

Mr. REYNO: Would you like a comparison, sir, of the strength of generals in the forces now as compared to then? If so, I will have to get it for you as I do not have the figures here.

Mr. HARKNESS: Do you know off-hand how many lieutenant generals you have in the forces?

Mr. REYNO: Yes, I do, sir.

Mr. HARKNESS: How many are there?

Mr. REYNO: Well, there is myself, Air Marshal Sharp, Air Marshal MacBrien, Air Marshal Dunlap, General Lilley and one at Mobile Command would be six. There are seven. Perhaps Commodore Boyle has a statistical summary there. Do you have a record of this?

Mr. BOYLE: I do not have the rank break-down by services sir, but seven lieutenant generals is correct.

Mr. HELLYER: I think Mr. Harkness' figure for the early period is not quite accurate. There would have been five at that time.

Mr. HARKNESS: There would have been four if you include the deputy commander of NORAD.

Mr. HELLYER: And the chief staff officer at SHAPE.

Mr. HARKNESS: There has been an increase in the officers directly concerned with the operations and the administration of the forces here in Canada—leaving out the two special jobs which you people happen to be on at the moment—from three to five.

Mr. HELLYER: That is true at the lieutenant general rank level, but in the major general rank level there has been a reduction of about 30 per cent, roughly.

Mr. HARKNESS: This is the next question I was going to ask. What is the situation as far as major generals and brigadiers are concerned?

Mr. HELLYER: It is very good. I think perhaps you would like to have it for the four top ranks, but perhaps the best thing to do would be to get a comparison as of a certain date for you.

Mr. HARKNESS: We have the figures for the reductions in the National Defence Headquarters here, but I would like to have the figure for the number of lieutenant generals, major generals, brigadiers and equivalent, and also full colonels, in 1963 as compared to the present time. I think that would give us a better picture of what the situation has been and whether there are now more or less than in the previous period.

Mr. REYNO: Are you speaking of the force as a whole, sir, or just the National Defence Headquarters?

Mr. HARKNESS: I am talking particularly about National Defence Headquarters, because that is where there is a change in the staff.

Mr. HELLYER: I think, Mr. Harkness, this is a slightly loaded question on your part, which I am sure you realize, because the maintenance of three services may have affected the senior establishment at headquarters a little bit in so far as representation is concerned. I think you would get a better, fairer and more accurate side by side comparison if you took the force as a whole for any two five periods that would please you rather than just this.

Mr. WINCH: Well, will you please add to this then the entire establishment.

Mr. HELLYER: All right.

Mr. CHURCHILL: We can have them both. You do not want to conceal them, do you?

Mr. HELLYER: No, no.

Mr. HARKNESS: The point I am making is this. When you give these bald figures showing that there has been a reduction from 3,039 service personnel to 2,485, everybody comes to the conclusion that you have saved a lot of money. However, if you have at the same time increased rank structure in headquarters you are perhaps spending considerably more money than you were before. This is the point I am getting at and this is why I want the information.

Mr. WINCH: You want the entire structure.

Mr. HARKNESS: Yes.

Mr. HELLYER: I have no doubt that we can reassure you on that point, Mr. Harkness.

Mr. CHURCHILL: We want the entire structure, but we want headquarters separate from the other, though.

Mr. HARKNESS: Yes, I want them both. Do not lump them together; I want them both.

Now, of the 400-plus personnel who have left National Defence Headquarters, how many have gone into other staffs such as Air Materiel Command right here, Mobile Command Headquarters or some other headquarters along this line? In other words, has there really been any net improvement in this

regard, when you take into consideration the people transferred from National Defence Headquarters to other headquarters?

Mr. HELLYER: There have been some transfers in and out. We will get that information for you.

Mr. HARKNESS: I would like to revert for one or two questions to this matter of training which we were dealing with this morning. The general impression that I got, and I think the Committee as a whole got the same impression, was that the basic training was going to be carried on at one or two places in Canada and then, after that, the environmental training would be carried on at an indeterminate number of places, the geographical locations of which were not known and the number of establishments were not known. Is there no definite plan for environmental training?

Mr. HELLYER: There is certainly a plan which applies at the present time, Mr. Harkness. In so far as the future is concerned, it will be only after the over-all base consolidation plan has been agreed on, that you can talk about future years. As I indicated yesterday, there are a number of factors that have to be taken into account, including the capital cost of facilities and the length of time over which they can be amortized before we can make final decisions in respect to the base consolidation program. Then there are the views that have been expressed by people like the hon. member for Halifax and others who believe that our judgment should take into account all relevant factors.

Mr. WINCH: Well, do you?

Mr. HARKNESS: Then this boils down to the fact that there is no definite plan as far as the future is concerned. However, you say there is a plan at the present time; what is this plan?

Mr. HELLYER: At the present time the environmental training is carried out in exactly the same way that it has been previously.

Mr. HARKNESS: In other words, there is no change.

Mr. HELLYER: That is another way of putting it.

Mr. HARKNESS: Then, all this disruption which is taking place in the forces through these various integration measures and so on has produced no change really in this regard.

Mr. HELLYER: In so far as the environmental training is concerned, I think that is largely true, but, as the air marshal explained yesterday, there has been some consolidation of schools. I think construction engineering is one, and this includes an element which you might include in this large category.

Mr. HARKNESS: Is it envisaged that in the future you will still have an artillery school at, say, Shilo, and an armoured corps school, an infantry school, an engineers school like the one at Chilliwack and so forth?

Mr. HELLYER: Well, without going into the specific locations, the answer, generally, is yes, although I think there is consideration being given to combining some of the land force schools, more particularly the infantry and armour—the combat arms school.

Mr. HARKNESS: In effect then, as far as training for any particular fighting unit or service is concerned, you do not really envisage very much change?

Mr. HELLYER: Not in the environmental training, no, except the consolidation of training; for example, where there is a common trade, or a common part of a trade this will likely be co-located and perhaps amalgamated in order to get the maximum use of the facilities.

Mr. HARKNESS: You are talking mainly about administrative personnel. I am talking about actual fighting personnel.

Mr. HELLYER: As far as the fighting personnel is concerned, no; you are quite right in suggesting that there will be no change there because these are highly specialized trades and the men in them will have to be trained very much in the same manner as they always have been.

Mr. HARKNESS: This boils down to the fact that from the environmental training point of view there is no advantage in unification?

Mr. HELLYER: I think that is a fair statement, except with regard to combined operations, which is still environmental training; but I do not think this is what you were referring to.

Mr. HARKNESS: From a training point of view, we might just as well continue the three services.

Mr. HELLYER: No, sir that is not correct; if only for the combat arms, as you have just said.

Mr. HARKNESS: Are they important to combat arms?

Mr. HELLYER: They are indeed, Mr. Churchill, as any gunner would know.

Mr. HARKNESS: I would be inclined to say that they are the people who are most important.

Along that same line, I would draw your attention to this chart headed DCP which was provided this morning. It sets out director of postings and careers, first, for sea operations and sea duties generally; army duties generally; and air duties generally. Is it not a fact that, in effect, you are to a great extent; still going to maintain the three services in the matter of postings to them, and so on?

Mr. HELLYER: It was explained yesterday that the greatest change will take place in this area. The method of personnel management is one of the most significant differences between integration and unification.

Mr. HARKNESS: This chart shows that it is all now in one organization, but from a practical point of view it still has to be divided into three. You might say that you have just put in one extra layer in the administrative machinery.

Mr. HELLYER: I think you must be referring to the present organization.

Mr. HARKNESS: I am referring to this chart which was shown on the screen during Air Marshal Reyno's presentation this morning.

Mr. HELLYER: Yes; but that would be his present organization which is based on single-service man-management.

Mr. HARKNESS: I think this statement was that this is the organization which is being aimed at and being put into effect.

Mr. HELLYER: It is being aimed at, sir, but it is not in effect yet.

Mr. HARKNESS: This is my point. When it is in effect you will really have something the same as you have at the present time, with an extra administrative layer over the top. Instead of each service having an organization for postings and careers and so forth, you will have one general organization, which you might call a sort of big headquarters layer, and under it you will have three divisions, one for the navy, one for the army and one for the air force.

Mr. REYNO: That is one way of putting it, sir; but we do not look at it like that. There are many more staff functions under the directorates of postings and careers than you see there, and which are other than environmental.

Mr. HARKNESS: Well, in effect, it seems to me that a great deal of this comes down to changes in nomenclature, as we mentioned before. You have a reduction in the number of trades from 360 and some odd trades down to 97, but in those 97 trades you have 300 and some odd divisions or classifications. In other words, it is to a large extent a matter of nomenclature. It is the same in this matter that we have just been talking about. It does not seem to me that you are making much progress.

Mr. REYNO: These charts indicate how we propose to manage it. They are not really organizational charts. They are an indication of personnel management philosophy and how we will enable a man to progress from the lowest level to the highest level of both rank and pay field.

Mr. HARKNESS: Well, as I say, it seems to me that a great deal of this is what you might call, in a way, change for change's sake, or a camouflage to make what will essentially be the same organization appear different to the casual observer.

Mr. REYNO: No, sir. In the fullness of time we will have all this consolidated here in Ottawa in a central management system. We are leading into the transitional stage now. I cannot forecast the actual date—

Mr. HARKNESS: Yes; but you will still have a division for each of the army, navy and air force personnel which you will have to deal with.

Mr. REYNO: We will have to deal with the environmental people, sir. You are quite right. We will always have to deal with them.

Mr. HARKNESS: You can talk about a single unified force as much as you like, but you still have in effect, from the practical point of view, to deal with army, navy and air force personnel. Therefore, as I say, a great deal of this is camouflage.

Mr. REYNO: I do not think I can add anything to what I have already said.

Mr. HARKNESS: Oh, I do not think it is possible.

Mr. HELLYER: You will find for example, Mr. Harkness, that all the pilots are to be managed as one group, and that the radio navigators will not be divided by land, sea and air as they have been previously. I think this tests your generality.

The CHAIRMAN: Gentlemen, that appears to conclude this portion of our questioning of Air Marshal Reyno.

Thank you very much for appearing, Air Marshal Reyno.

In accordance with our undertaking to Mr. Brewin and others I think that we should continue now with the questioning of the Vice-Chief of Defence Staff.

Mr. MACALUSO: Mr. Chairman, do you intend to have General Dare this afternoon, immediately after we hear from Air Marshal Sharp?

The CHAIRMAN: Yes, I do.

We will start with Mr. Brewin.

Mr. BREWIN: Mr. Chairman, I would like to hear Air Marshal Sharp's views on the effect of unification on morale. As I read the paper that he presented to us, he takes the view—and I am far from saying that I disagree with him—that on balance, the effect will be favourable. Is that right?

Mr. SHARP: Yes, I do. I appreciate, however, that any major change that affects an organization will affect the people. There will initially probably be a disquieting effect on people as the change takes place. In the long run, however, I am quite sure there will be an improvement in morale. It will certainly not go down as a result of it, in the long run.

Mr. BREWIN: Well, there are some pluses and some minuses. You see the pluses in the future and the minuses, perhaps, in the immediate dislocation.

Mr. SHARP: Yes, I would agree with that.

Mr. BREWIN: I just want to examine a little more with you what you said in this connection at pages 7 and 8, and I want to put it in my words to see if I have understood and whether you agree with me.

As I understand it, you say that there are two things important for morale: First, that the serviceman himself should feel that his role, or the objective he is trying to reach, is worthwhile; and, second, that he should feel that the world around him, the people he is in touch with, also feel that what he is doing is vital and important. Do I understand you correctly in that?

Mr. SHARP: Yes, sir.

Mr. BREWIN: Is it not just a part of the general rule—which applies to all of us, I suppose—that if we feel we are being useful and if the people with whom we associate think we are useful then it improves our morale?

Mr. SHARP: Yes. I did not mean to imply that these are conditions that apply only to servicemen.

Mr. BREWIN: No; I think it is a fairly sound, general rule. In that connection, as I understand it, what you state at the foot of page 7 and on page 8 is that the unification that follows from the White Paper provides, in the eyes of the serviceman—and, I suppose of the world at large—a significant change in emphasis on at any rate, the roles to be performed. You say on page 7 that the White Paper

—approves missions or roles that could involve Canada in many of the steps in the war escalation ladder rather than only in all-out nuclear war.

Again, you use the same phrase on the next page:

The flexible forces that unification will allow provides more meaningful roles in the eyes of the servicemen than forces devoted solely to any one part of the war escalation ladder.

Mr. SHARP: That is correct.

Mr. BREWIN: I just want to examine that a little more carefully. I take it that both the White Paper and unification provide a wider phase of contribution because they envisage a sort of mobile intervention force that can get into what you describe as the war escalation ladder at what I might call the lower rung.

May I go through that escalation ladder with you to see if I follow the argument? Suppose we start at the highest, which would be strategic nuclear contribution. Canada has not made, and has not proposed to make, any contribution in that, has it?

Mr. SHARP: We are involved in it to the extent that air defence command, for example, would presumably only be used if that kind of war occurred.

Mr. BREWIN: I see. You talk about Canada being involved in all-out nuclear war. Do you think a tactical nuclear war in Europe is distinguishable from an all-out nuclear war?

Mr. SHARP: I very much doubt it.

Mr. BREWIN: I am prepared to say that I agree with you on that. On the other hand, the troops that we maintain in the brigade and in the air division are envisaged as being involved in that might be an all-out tactical nuclear war in Europe. Is that correct?

Mr. SHARP: Yes, that is correct.

Mr. BREWIN: You say that the morale of the forces will improve because under the conventional force we would be providing a lightly-armed mobile force that would get into what you call the war escalation ladder at the earlier phases to try to prevent the escalation of war rather than to participate in all-out nuclear war.

Mr. SHARP: I believe that this is a useful contribution that Canada can make, and a lot of our servicemen, representative of a cross-section of the population, believe this, too.

Mr. BREWIN: If one came to the conclusion that these tactical nuclear roles, or all-out nuclear war, were not useful contributions then, by that reasoning, concentration exclusively on the mobile conventional role would increase the morale even more?

Mr. SHARP: Yes; provided your "ifs" hold.

Mr. BREWIN: Yes; and that is why I want to ask you these questions. I have here an article written by John Gellner who gave evidence to this Committee at an earlier stage. I do not know whether or not he advises the government. I want to ask you whether you agree with some of his views. He said, as reported in the *Globe and Mail* magazine section of Saturday, February 4:

It should be realized, and undoubtedly it is realized in Ottawa, that militarily the value of the Canadian contribution is minimal—

He is talking about the infantry brigade and the air division.

When he says that it is realized in Ottawa perhaps I should look at the Minister as well as at you. Is this correct? Is it realized in Ottawa?

Mr. HELLYER: Perhaps I should answer that question, Mr. Chairman. I think you can appreciate that these forces are part of the deterrent in Europe and

therefore they are at the high end of the scale, in the sense that they are part of the deterrent to all-out thermo-nuclear war.

Mr. BREWIN: Perhaps the Minister will want to answer my next question, too, which is whether the Canadian contribution of the infantry brigade and the air division was made at a time when NATO planning was based on the assumption that a war in central Europe could be a limited nuclear war and that the enemy could thus be deterred by the weapons of limited nuclear war?

I pause to say that the Air Marshal has indicated his view that there is no such thing.

Mr. Gellner goes on to say:

This theory could never have withstood serious examination; by now, nobody in a responsible position inside or outside of NATO really believes in its validity.

Does the Air Marshal agree with that? If the Minister wants to answer it, as well, that would be helpful.

Mr. HELLYER: I cannot speak for the Air Marshal, but it is on a very "touchy" issue so perhaps I had better answer it.

First of all, the Air Marshal did not put it so categorically. It is the view of many, including, I would say, the majority of people who have looked at the subject very closely, that the use of nuclear weapons would be likely to escalate very quickly: hence the thesis that Mr. Gellner has put forward.

This is one of the areas of greatest controversy, however, in respect to military strategy, and one which is still undergoing very active study at the highest levels of the NATO organization, to try to determine as accurately as possible just to what extent the thesis is valid. It is felt that there may be some exceptions to this generality, for example, by the use of an atomic demolition mine in the early stage, which is clearly confined geographically, which would have a specific identifiable purpose, and so on, and which might not automatically escalate. But when you start getting down to cases and studies in respect to the various contingencies that could arise, you are into one of the most difficult areas of military science at the present time, and one where there is, I think, the greatest difficulty in reaching what anyone would call conclusions on which they would like to stake their reputation.

Mr. BREWIN: Then is Mr. Gellner in error when he states that nobody in a responsible position inside or outside NATO really believes in the validity of this theory of limited nuclear war?

Mr. SHARP: I think that when he says "nobody" he is overstating his case. I think the tendency is certainly in the direction of the belief that the early use of what were called tactical nuclear weapons would escalate pretty quickly.

Mr. BREWIN: Perhaps I had better put it directly to the Minister. He is certainly in a responsible position inside NATO. Does he believe in the validity of the theory of limited nuclear war?

Mr. HELLYER: Well, that is a tough question, but I will attempt to answer it. First of all, in respect to the very isolated circumstances that I have just discussed, such as an atomic demolition mine, and this type of thing, or a very short-range battlefield weapon, I do not know the answer.

If you were to extend it one step further in the escalation and you ask me if the early use of tactical airplanes, for example, would escalate, I would say that they would do so at once.

Mr. BREWIN: I think you are right.

I would like to proceed with another aspect of this same matter—

Mr. HARKNESS: May I ask a supplementary question at this point? Is this idea not so closely connected with the deterrent effect of nuclear weapons, both technical and strategic, that it is pretty difficult to separate them, and that this is where the greatest area of difficulty arises?

Mr. HELLYER: I think that is a fair statement. The object of having nuclear weapons there is so that they will not have to be used.

Mr. HARKNESS: Is to prevent war, yes; it is the deterrent effect which is of the greatest importance.

Mr. HELLYER: You will notice that in all of our discussion of this, when we say that we can play a greater part in world security in other areas and at lower levels of the escalation ladder—as the Air Marshal calls them—or, in more probable circumstances, as they are described in the White Paper, this is on the presumption that an effective deterrent remains in existence; in other words, that the nuclear stalemate continues.

Mr. BREWIN: I think I understand some of the implications. I would like to go on—because I should not spend too long—to the North American air defence in NORAD. I would like to read from the same article of Mr. Gellner's, when he says:

This has to be borne in mind—

—this was in discussion of the history—

—when one stands rather puzzled on one of our two Bomarc surface-to-air missile bases and sees 28 of these weapons standing virtually unprotected, yards apart on a single pad, ready to repel a bomber attack. If attack ever came, the whole Bomarc complex would probably be taken out in the enemy's first strike.

With a little foresight, the Bomarcs could have been recognized for the military absurdities they were when installed in 1961. Yet we took them, had to take them, simply because our two Bomarc bases formed a link in a chain of similar U.S. installations.

Does the Air Marshal agree with the proposition that the Bomarcs are vulnerable to a first surprise strike, and that they were a military absurdity when they were originally installed, and still are.

Mr. SHARP: No, I do not agree that they were a military absurdity when they were first installed. They are obviously vulnerable to a first strike; I agree with that.

Mr. BREWIN: I think I asked you about this before. I had better not repeat it. You did not agree with McNamara that their usefulness was as a target or decoy for a first strike.

Mr. HELLYER: I think Mr. McNamara's statement, Mr. Brewin, if I recall it correctly—and it was quite a while ago—was that this would be at the very

least. At that time the number of Russian missiles in their inventory was much less than it is now. Diverting even to the Bomarc sites was something of considerable significance.

Mr. BREWIN: Yes, well this—

Mr. HELLYER: Of course, what the list of first strike targets would be depends on their relative importance at any one time.

Mr. BREWIN: Yes. This raises a question which I will direct to the Minister. Having in mind the dubious quality of the Bomarc missile defence against bombers attacking, has the American government intimated that it may not wish to renew the NORAD agreement or that it will, or has the Canadian government suggested this? I understand that it expires in 1968, and I am wondering if there are any discussions being initiated on the renewal or variation or termination of this agreement?

Mr. HELLYER: There are preliminary discussions under way between officials of the two governments in the expectation of later governmental negotiations about the future of the treaty.

Mr. BREWIN: On the future of air defences the Minister, in answer to a question of mine in June, I think it was, said that Canada would not become involved in an anti-ballistic missile system without consultation with Parliament. Do I understand that correctly?

Mr. HELLYER: As I recall it, the reply was that we would not involve ourselves in an active anti-ballistic missile defence, in the sense that we would participate financially and through manpower, and so on, without having it first debated in Parliament.

Mr. BREWIN: That undertaking would still hold good?

Mr. HELLYER: Yes; I think it is a reasonable undertaking; this is quite an important part—

Mr. BREWIN: I think it is, and very much so; but I wanted to make sure. Thank you.

The CHAIRMAN: Mr. Harkness?

Mr. CHURCHILL: Do you have me on the list from last night?

The CHAIRMAN: I must confess that I have mislaid the list. I was under the impression that—

Mr. HARKNESS: You go ahead, Gordon. I have been asking a lot of questions.

Let Mr. Churchill proceed because I have had two or three opportunities for questions since he has had a turn.

The CHAIRMAN: Mr. Churchill?

Mr. CHURCHILL: I want to ask questions relative to the present day and not those that we discussed in this Committee four years ago when I was on it before, with regard to NATO and NORAD, and so on.

In the interval I have read Mr. Gellner's book—

An hon. MEMBER: They are still topical though.

Mr. CHURCHILL: Yes; but what have they got to do with unification?

I asked two questions in the course of yesterday's discussions. One was about the strength of our armed forces, but apparently that information is not going to be made available. I will concentrate now on—

Mr. HELLYER: Mr. Churchill, I have the information here for you, if you would like to have it. This is really the answer to Mr. Harkness's question. It will be tabled in the House tomorrow, but if there is no objection from the members of the Committee, I think I might distribute copies now if you would like to use them.

Mr. CHURCHILL: Is that complete for the three services?

Mr. HELLYER: It seems to be.

Mr. CHURCHILL: Well, I will reserve judgment on that.

I wanted to question the vice-chief specifically on the chart that was shown to us yesterday on DND expenditures. It shows the overhead personnel operating and maintenance costs. They have increased very considerably over the 10-year period from 1956. We are all familiar with that. It indicates that from 1966 to 1970, two things can happen. If no re-organization occurs there will be no money available for capital expenditures; and if re-organization occurs although it does not say that—it says that the goal by 1970 is to reach a figure of 25 per cent of the expenditures available for capital purposes.

What I suggested last night was that I would like to have it proved to this Committee that unification will provide the necessary reduction in overhead personnel operating and maintenance costs so that that will come down to 75 per cent, and that there will be 25 per cent available for capital expenditures. The reason for my wanting proof of it is that we have been hearing for three years that great savings will be made by unification. What is the evidence? I am not talking about integration; I am talking about unification.

Mr. HELLYER: Mr. Churchill, I do not think anyone has made the statement—certainly I have not—that the financial savings from unification itself would be very great, or that they would be easy to document. As a matter of fact, it was made quite clear in my speech on second reading that the savings that would accrue from having a single service rather than three would, in fact, be very difficult to document because they would result only through the decision-making process and any increase in objectivity that would result in the decision-making process.

There are some small caveats to that. For example, there will be further reductions in manpower required in personnel administration as a result of unification, and these probably can be documented.

The main savings are through that part of the total integration-unification cycle which has, so far, been described as integration. The benefits from having a single service are more difficult to document in the sense of personnel reductions than those that have accrued from integration.

Mr. CHURCHILL: Well, I will be very kind to the Minister and say that when we were in government we appreciated that two things had to happen: Either a reduction in the strength of the forces to save money, or an increase in the budget.

When the Minister took over, he had a ceiling placed on his activities, which still prevails at something like \$1,500,000,000, and the only course open was to reduce the number of personnel, or to soften up the Minister of Finance and get another \$300 million for capital expenditure.

That was about the problem. The Minister has attempted to solve that by his paper tiger of integration plus unification. He has reduced the personnel, and I think he told me in the House that that amounted to about 23,000, a saving of about \$150 million a year available for capital expenditures, perhaps, but actually eaten up in the increases of pay and allowances.

Why I stress this question of unification is that through very active publicity campaigns the general impression abroad has been given that the whole program will effect great savings. The Minister has now admitted that the savings on unification itself are hard to segregate, and I judge that they are minimal. What, then, is the value of unification?

Mr. HELLYER: This was explained in second reading, Mr. Churchill.

It provides better career opportunities—

Mr. CHURCHILL: I am talking about the saving of money, not these other things.

Mr. HELLYER: If you relate it specifically to saving money, as I have just told you, the savings that can be documented are marginal. There is a very real possibility, however, of quite substantial savings through the process of identification with the force as a whole, and the application of military technology on the basis of the force as a whole, rather than by three competing systems. But there you get into a subjective analysis because I do not think you would ever get anyone to admit that they would not have come to the same conclusion anyway.

Mr. LANIEL: May I ask a supplementary question on this? Does this mean that you could not reach such a high degree of integration without unification? Would that be the answer? You have just contradicted something I said about the savings in my speech, and I am concerned about that.

Mr. HELLYER: I think the problem has been one of semantics, in trying to differentiate clearly between these two ideas when, as we have said repeatedly in the last little while, they are part of the whole cycle.

Certainly from my experience—and I think the Air Marshal will bear me out on this—the further we have gone into integration and the more staffs have been intermingled, working together and co-located, particularly those engaged in the same trade, the more unification has become not only logical, but essential.

Therefore, I do not think you really can differentiate. But if you try to attribute the savings to the legal aspect of having, as I said yesterday, the units and men of the armed forces in one legal entity rather than three, then this is very difficult to document.

Mr. CHURCHILL: Mr. Chairman, I will finish by making a statement. You can put a question mark at the end of it if you like. There is no proof available to us that the proposed unification program will effect substantial financial savings.

Mr. HELLYER: Mr. Churchill, we will be glad to provide you with evidence that the cycle that we have been going through has, in fact, reduced our costs very substantially.

If you are talking about the strict legal terminology—what yesterday was referred to as the legislative aspect of it—then of course, as I said a moment ago, this is not the part of the total process which results in the greatest monetary saving.

Mr. CHURCHILL: My vocabulary does not contain some of these terms such as "cycle", and "small part figures", and "boot camp", it is limited to ordinary language.

Mr. HELLYER: Language is a dynamic, living thing, Mr. Churchill, and meaningful.

Mr. CHURCHILL: Dynamic and meaningful! "Sophisticated equipment"—where does that come from—Toronto and Montreal?

Mr. HELLYER: I think mostly from Winnipeg.

Mr. CHURCHILL: I will conclude, Mr. Chairman, by repeating that this Committee has not received proof that the proposed unification will result in substantial financial savings, and yet this is the type of propaganda that has gone out to the public of this country.

Mr. FOY: That is not true; only part of the Committee has—

The CHAIRMAN: Mr. Deachman had his hand up.

Mr. HARKNESS: I have a number of questions on this same chart. Perhaps it might be better if they came in at the same time rather than—

The CHAIRMAN: Are you willing to stand, Mr. Deachman, for a while? You did have your hand up.

Mr. DEACHMAN: Mine is a new subject. If you want to complete this I am willing to stand.

The CHAIRMAN: Mr. Harkness.

Mr. HARKNESS: Mr. Chairman, a good deal of the information that we have received from the Minister in this Committee and in the House in the past, has been along the line that the integration program which he had put into effect would save a great deal in overheads, personnel, maintenance costs, and so forth, and that money would thus be made available to purchase a great deal more equipment.

The chart shows the amount of capital expenditures decreasing until 1964 at a sort of a steady rate, and still continuing to decrease a bit to 1966 where it shows that it is 17 per cent.

During this last period I would take it, just from looking at this chart, that whatever savings have been made—if there have been any—in overhead and so forth have not been utilized to purchase more equipment. In other words, there has not been any money made available to purchase equipment by any savings which may have been made. I do not agree that any savings have been made actually, but if there were where did they go? The chart itself shows that there has not been any more equipment purchased.

Mr. SHARP: The trend in the expenditures that we were able to devote to capital equipment was definitely down until the re-organization. The trend in the percentage of our total budget that we were able to devote to capital expenditures was down.

We have already made some reductions in staff, and the savings here are, in fact, being spent on equipment. The high percentage of the reductions in staff came from the support functions, so that the savings that have been made have been because of consolidating support functions, resulting in a reduction in staff; and the money saved was put on capital equipment which we would otherwise not have been able to buy.

Mr. HARKNESS: How much more capital equipment has been purchased than was being purchased previously.

Mr. SHARP: The valid comparison, surely, is how much is being purchased now with what we would have been able to purchase had we not made some changes.

Mr. HARKNESS: Actually, would you be surprised to learn that your chart is completely disproved by the Auditor General's reports for the last two or three years?

Mr. SHARP: Yes, I would.

Mr. HARKNESS: I will give you the figures from the Auditor General's reports. In 1964 to 1965 the total amount paid for equipment was about \$213 million. I can give you the amounts for the navy, army, and air force, if you wish; I extracted these figures this morning. That was 13.9 per cent of the total budget which in that year was \$1,535,000,000-odd. The total capital expenditures were \$244 million—I am leaving off the odd figures—which was 15.9 per cent of the total budget; whereas your chart shows them at 17 per cent or higher.

In 1965-1966 the total amount spent for equipment was down to \$192 million, which was only 12 per cent of the total. If you take in the other capital expenditures, that is, the purchase of land and construction of buildings, the capital expenditures were \$220 million, which was 14.2 per cent of the total.

In other words, the chart is completely misleading on what the actual situation is as shown by the Auditor General's reports for these years.

On the other hand, if you go back to 1961 to 1962, the total spent for equipment was \$306 million as compared to the \$192 million in 1965-1966, and that was 18.8 per cent of the total; and of capital expenditures as a whole in 1961-1962 there were \$389 million, which was 23.9 per cent of the total.

In other words, since integration has been put into effect, the picture is very, very much poorer than it was prior to that. Not only has there been no increase in the amount of equipment purchased but there has been a very serious decline.

As far as capital expenditures as a whole are concerned, the same is true. As I say, your chart is completely wrong, and completely misleading.

Mr. SHARP: I do not have those figures before me. In what year were the high and the low points in capital spending?

Mr. HARKNESS: The years I took were from 1961-1962 up to the last Auditor's report available, which is 1965-1966. I can give you the figures for each of these years, if you wish.

Mr. SHARP: No; the high year and the low.

Mr. HARKNESS: The high year was 1961-1962, and the low year was 1965-1966.

Mr. SHARP: That is right; and that is exactly the trend that we want to reverse.

Mr. HARKNESS: I know; but the point is that integration has been going on for two to three years, and you and the Minister, and everybody else talking about integration and unification, have been saying, time after time, "We are saving hundreds of millions of dollars in operating expenses, and we are buying new equipment with it". In actual fact, as shown by the Auditor General's reports—which are the only figures we can rely on—the amount spent for equipment has been going down steadily from \$306 million in 1961 to \$233 million in 1962-1963; \$251 million in 1963-1964—that was up a bit from 1962-1963; then \$213 million in 1964-1965; and only \$192 million in 1965-1966.

Similarly, the total capital expenditures have been going down, both in total amounts—in the number of millions spent—and also as a percentage of the total defence budget. As I say, your chart does not show any such thing. In fact it gives a clear indication that the reverse has been the situation.

Mr. SHARP: The trend of those figures indicate it was down. The high point was in 1961-1962, and the low was in 1965-1966. I do not believe anyone has claimed that integration or unification would reverse this trend completely overnight, but the fact is that it will level out during this coming fiscal year and we believe it will go up.

Mr. HARKNESS: And outwards.

Mr. SHARP: Now, had not something been done about it, following that trend to an end, obviously we would reach a point where we would not have any money for capital expenditures.

Mr. HARKNESS: Why does your chart show a level of capital expenditures of better than 17 per cent in the years 1965-66, when the actual equipment purchases, particularly, were only 12 per cent and the capital expenditures as a whole only 14 per cent?

Mr. HELLYER: Because it was under spent, Mr. Harkness; not all the money available for capital was spent.

Mr. HARKNESS: No, these are the actual expenditures as shown by the Auditor General's report. I have it right here and can show it to you.

Mr. HELLYER: That is quite correct, but all of the money available for defence that year was not spent.

Mr. HARKNESS: I know but I am—

Mr. HELLYER: And had it been spent, then the proportion would have been higher.

Mr. HARKNESS: You are absolutely incorrect.

Mr. HELLYER: I am not.

Mr. HARKNESS: Well, I will show you the figures right here and you can read it if you like. I have the places marked so it will be easier for you to find

them. The Auditor General's report shows the total expenditures in 1965-66 to be \$1,548,446,000.

Mr. HELLYER: Would you give me the estimate for the same year?

Mr. HARKNESS: I do not know whether he has the estimate in this book or not.

Mr. HELLYER: It is relevant, because otherwise your case is not valid.

Mr. HARKNESS: No, it is not relevant at all as far as the percentage of expenditures paid is concerned. The percentage of that which was spent for equipment was 12 per cent.

Mr. HELLYER: Yes, but I just got through explaining. You said: "Why was not the amount higher?", and I said: "Because not all of the money available for equipment was spent." This was due to program slippage, in some cases.

Mr. HARKNESS: The chart does not say "estimates" it says "expenditures". This is the only thing we can go by. In any event, we have found from past experience that the only figures we can rely on as far as this Department is concerned are the Auditor General's figures. I do not think anyone is going to dispute the accuracy of those figures.

Mr. HELLYER: As far as expenditures are concerned, absolutely not.

Mr. HARKNESS: The total expenditures were the figures I mentioned—roughly \$1,550 million. The percentage of that spent on equipment was 12 per cent. The percentage spent on capital expenditure as a whole was 14 per cent.

Mr. HELLYER: That is right.

Mr. HARKNESS: Now, those figures are definite; they are right there; they are the audited accounts and there cannot be any argument.

Mr. HELLYER: That is right, that is the low point.

Mr. HARKNESS: All right, but the chart shows 17 per cent and better. This is what I am complaining about. In other words, the chart is false.

An hon. MEMBER: That is right, the Committee is being misled.

Mr. HARKNESS: I do not think there is any doubt that it is part of the effort which has been made continuously over the last three years to try to sell to the Committee, and the general public, the idea that great savings were being made on operational and maintenance costs, and that this money so saved was being put in to buy new equipment. The exact reverse is the case. The amount of new equipment bought has gone down steadily, and the charts put out to show the percentage of money spent for new equipment are incorrect.

Mr. HELLYER: Your conclusion is equally false Mr. Harkness, because without the savings and with the rate of decrease in the purchasing power of the dollar, the results would have been, as indicated, very much poorer. The fact that this year the trend is in the other direction indicates that we have turned the corner and this can be attributed to the re-organization that has taken place, and this cannot be denied.

Mr. HARKNESS: Are you trying to tell me that this chart is not false?

Mr. HELLYER: I really do not know the origin of the chart, but I am sure—

An hon. MEMBER: We ought to know the origin of the chart.

Mr. HELLYER: Does your figure include development, Mr. Harkness?

Mr. HARKNESS: It includes—the figures given here for example—

Mr. HELLYER: For equipment, construction and development?

Mr. HARKNESS: I have the navy figures here. Page 26.12 of the Public Accounts report for 1965-66 shows acquisition and construction of buildings and works, including acquisition of land, and so on, and it gives a certain figure. The estimates are given and it was \$4,436,000—you asked for this awhile ago—and the expenditure was \$7,352,536. Apparently even the estimating was bad. In the major procurement of equipment, ships, aircraft, electronic and communications equipment and so on, the total expenditure given is \$62,538,315 and the estimate was \$67,064,000.

Mr. HELLYER: Is the Defence Research Board under capital expenditures?

Mr. HARKNESS: No.

Mr. HELLYER: What do you mean, "no."

Mr. HARKNESS: I have not got them in, no.

Mr. HELLYER: I am sure they are included in the total, though, as far as capital expenditures are concerned, when they are from capital.

Mr. HARKNESS: I will find them in a moment. Yes, Defence Research Board, construction and acquisition of buildings was \$5,475,000. That was all. If you add those in, it would change the percentage by perhaps .2 of 1 per cent—not that much. Therefore, you would have 14.3 or 14.4 instead of 14.2 per cent.

Mr. SHARP: I believe these figures include development. We are talking about a difference of $2\frac{1}{2}$ or 3 per cent.

Mr. WINCH: What is development? What do you mean by development?

Mr. SHARP: Money spent on development projects, such as the money we are spending to develop a drone, for example.

Mr. WINCH: Or a hydrofoil?

Mr. SHARP: Yes.

Mr. FORRESTALL: Would that not be classified as an expenditure?

Mr. HELLYER: No, that is separate in the development stage.

Mr. HARKNESS: It would certainly be included in the Auditor General's equipment figures as far as equipment is concerned.

Mr. HELLYER: I do not think so; it is a separate vote so it should be—

Mr. HARKNESS: It has "Statement of Expenditures by Standards Objects," and I do not see any standard object called development.

An hon. MEMBER: Perhaps the witness could tell us where he got the figures and this percentage from to make up the chart?

Mr. SHARP: I got the figures from our finance people and I believe that the figures include development, which would account for the difference.

Mr. WINCH: In order to make this completely clear, would you find out from your finance people whether or not that was included? The question can be answered that simply if you will find out how you got this figure for this chart.

Mr. NUGENT: I think we should be given the figures used in making up this chart.

Mr. HELLYER: We can find that out.

The CHAIRMAN: Mr. Harkness, are you ready to continue?

Mr. HARKNESS: This is the point I had to make as far as this particular chart is concerned and as far as this particular point is concerned. My general submission is, to repeat it to some extent again, that all of the talk we have heard about large amounts of money being saved on overhead and so forth and this money being devoted to the purchase of equipment is completely incorrect as shown by the Auditor General's figures, and that even the chart produced to show what the division is between these two types of expenditure is false.

Mr. HELLYER: Mr. Harkness, I think we had better find out the facts on this before you make that statement, which I am sure you would not want to make if you could not substantiate it.

Mr. HARKNESS: I have already looked at the facts from the report.

Mr. HELLYER: Although we do make mistakes sometimes, I am pretty sure the financial people would not make a mistake of that kind.

Mr. NUGENT: It is the propaganda people we worry about, rather than the financial people.

Mr. FOY: You are the expert on that.

Mr. DEACHMAN: Mr. Chairman, I have a few questions to ask, principally about Maritime Command, if we are finished with the present subject. Air Marshal Sharp, if I understand correctly, Maritime Command is composed of the navy units operating on both coasts and some RCAF units operating with them in the Maritime role? Is that correct?

Mr. SHARP: That is right.

Mr. DEACHMAN: Then as a part of that the navy also operates planes and helicopters in an anti-submarine role.

Mr. SHARP: That is correct.

Mr. DEACHMAN: With an aircraft carrier and with helicopter units aboard the DDHs and so on, and also with a naval air base at Shearwater.

Mr. SHARP: That is correct.

Mr. DEACHMAN: In effect, on the Atlantic coast—if we take that as an example—the Maritime Command really consists of two air forces and the naval units.

Mr. SHARP: Correct. That is the way it was.

Mr. DEACHMAN: That is the way it operates now?

Mr. SHARP: Yes, in one sense.

Mr. DEACHMAN: I want to ask now about how these air force components are integrated in Maritime Command. When we speak of the integration of the RCAF units of Maritime Command with the naval units, what does that imply? Let me begin by asking, who commands Maritime Command? Is that always commanded by the senior naval officer, or can it be commanded by either, as we have the set-up now?

Mr. SHARP: So far it has always been commanded by a naval officer. I am not sure how that top position is described. At the moment it is commanded by a naval officer, as you know, but when he is due to be replaced I think we would then have to consider the most suitable replacement.

Mr. DEACHMAN: At the present time, how are personnel managed? For instance, do the RCAF personnel come entirely under the management and discipline of the RCAF in Maritime Command.

Mr. SHARP: That is not easy to answer with a yes or no. For some functions they come under the complete control of the Maritime commander but, because we still have the legal difference between the three services, air force officers have to manage some aspects—for example, courts martial.

Mr. DEACHMAN: For example, courts martial—discipline and the like?

Mr. SHARP: Some aspects of discipline.

Mr. DEACHMAN: This comes under the RCAF? Is training under the RCAF? It has been up until now, has it not?

Mr. SHARP: The training that takes place outside of Maritime Command is under Training Command, but training that takes place within Maritime Command comes under the command and control of the commander of Maritime Command.

Mr. DEACHMAN: What about RCAF equipment in Maritime Command? How are recommendations made with regard to the purchase of equipment—and I am talking now about aircraft—and updating and alterations of equipment? Is this done by the RCAF or is it done on the recommendation of the commander? Precisely how is this done?

Mr. SHARP: Do you mean now?

Mr. DEACHMAN: Yes, as it stands now, or how it has been up to now.

Mr. SHARP: Prior to the creation of a single command it went up through the RCAF command structure. Now the Maritime commander has on his staff engineering experts associated with air problems for both I presume, navy and air force. The recommendation for change in equipment or engineering would come through that staff. I believe he has integrated his staff in the engineering functions.

Mr. DEACHMAN: Therefore, in integration it has always had some element of problems as to where authority lay, or how command should be carried out in respect of men and also in respect of equipment; is that correct? There were always some problems to be ironed out which do not exist within a single service?

Mr. SHARP: I do not think that would be correct, because prior to the creation of a single command, vis-a-vis the two, the sort of problem that you bring up would be dealt with by either the air force chain of command or the navy chain of command, depending on the service of the man involved. In that sense I do not think there was any problem of co-ordinating before, because they were separate problems and they did not involve the operational commander.

Mr. DEACHMAN: Are the links in integration, then, between the navy and the RCAF at the present moment perfectly clear, and have they always been perfectly clear during the process of integration in Maritime Command?

Mr. SHARP: Are you talking about right now where the Command is integrated?

Mr. DEACHMAN: Yes. The links are perfectly clear; as clear as they would be if they were one service?

Mr. SHARP: No I would not say they are, because the Maritime commander must have on his staff personnel staff who are familiar with the present air force personnel procedures and systems and another one which is familiar with the navy procedures and system and he must, similarly, have two separate staffs looking after pay and finance and that sort of thing. When we get common policies of procedures, then he will require only one staff for each of these two functions.

Mr. DEACHMAN: So, there are elements included in Maritime Command now which are necessary to maintain the link of integration, which would not exist were that force unified?

Mr. SHARP: That is correct.

Mr. DEACHMAN: Now let me ask this: Did the navy ever make representations to the Department of National Defence at any time, to your knowledge, to take over the complete operation of the Maritime air role? Has this ever been a matter of interest to the navy?

Mr. SHARP: I am sorry, but I do not know the answer to that question.

Mr. DEACHMAN: I wonder if I could put that question to the Minister. Sir, can you tell me, within your knowledge, if representations have ever been made by the navy to the Department of National Defence to take over the Maritime air role?

Mr. HELLYER: It was one of many solutions that were considered at one time in considering the organization of the armed forces, and there are some people who have proposed this particular idea.

Mr. DEACHMAN: When we say it is one idea that has been considered and that some people have considered and proposed this idea, can you give us a bit more accurate history? I direct this question to the Minister, because it seems to be a bit more political.

Mr. HELLYER: I prefer not to, Mr. Deachman, because it is a matter of history and I think, within any defence force, you get a wide variety of ideas as to what the organization should be. It is not unusual or not surprising that there would be some people who would hold the particular point of view that you have

raised, but I do not think it really adds anything at the present time to go into the history of individuals who would support this idea.

Mr. DEACHMAN: I am not looking for names of individuals so much as I am interested in learning whether or not this has been a policy which has been espoused by the navy over any considerable period and has been brought forward at one time or another in recommendations to the Department of National Defence as a desirable policy to follow.

Mr. HELLYER: It did not come forward as a recommendation as such the way you have now put it during the time that I have been there. I have heard it espoused in paper form from individuals, but it was never put forward as a recommendation. It would not have been sensible to do so, because the Maritime Air Command of the Royal Canadian Air Force was firmly established, operating very efficiently, well equipped with equipment that would last into the 1970's and, therefore, the question would have been strictly academic during this period anyway. I merely mentioned that of the many combinations of possible organizations for the armed forces of the future, this was just one point of view.

Mr. DEACHMAN: What about the experience of the Americans in this field? How have they operated with their Maritime air components? Have they come under the United States air force or the United States navy?

Mr. HELLYER: In the United States, the Maritime Air Command function is performed by the navy.

Mr. DEACHMAN: It is being performed by the navy? Therefore, in the United States, what is equivalent to the Maritime Command here is a unified command?

Mr. HELLYER: It is all navy, yes.

Mr. DEACHMAN: The anti-submarine search aircraft are navy operated?

Mr. HELLYER: To the best of my knowledge, this is correct.

Mr. DEACHMAN: Have recommendations ever been made by the Canadian navy that we should follow that particular pattern?

Mr. HELLYER: As I have indicated, not formally during my period of office.

Mr. DEACHMAN: Have studies been made by the defence department of that particular pattern?

Mr. HELLYER: I do not think so although, as I have indicated, I have seen it espoused by individuals.

Mr. DEACHMAN: Thank you.

Mr. SMITH: I would like to ask the Air Marshal a few questions relating to the chart of modern operational equipment which appeared as an annex to his presentation yesterday. The first modern equipment was a new propulsion system. Presumably that is one which will be built into the new DDH's?

Mr. SHARP: That is correct.

Mr. SMITH: The contract for which it is presumed will be let late this year?

Mr. SHARP: Yes.

Mr. SMITH: And the propulsion equipment will go into them for use as they are completed. Is that right?

Mr. SHARP: That is correct. I believe the contract has already been let for the propulsion machinery.

Mr. SMITH: Has that been let in Canada?

Mr. HELLYER: Yes, with United Aircraft Corporation.

Mr. SMITH: Is that the one which was announced just the other day?

Mr. HELLYER: I do not know if the contract has actually been let or not, but perhaps someone here knows and certainly the choice has been made as to—

Mr. SMITH: That is a firm manufacturing in Quebec?

Mr. HELLYER: Yes, in Montreal.

Mr. SMITH: In the suburbs of Montreal, and that will go into the new DDH's. When will these come into service?

Mr. HELLYER: When they are completed.

Mr. SMITH: When will that be; in 1969?

Mr. HELLYER: Mr. Smith, the reason I was slightly flippant there, and I did not wish to be, is that until I see the new integrated defence program in May, I would not want to give you all of the firm dates for the delivery of the ships, because I will have to see the whole picture up to date.

Mr. SMITH: It is extremely unlikely that they would come into use before 1969.

Mr. HELLYER: I would not think so, because of the lead time involved.

Mr. SMITH: Even with the best possible lead time it would be, perhaps, 1970?

Mr. HELLYER: Let me put it this way; the program will be expedited as quickly as possible within the limitations of the ship building industry and our financial resources.

Mr. SMITH: So the most generous time that anyone could give it would be late 1968, or would it be 1969?

Mr. HELLYER: Something of that order.

Mr. SMITH: They seldom build a destroyer in less than a year in peace time.

Mr. HARKNESS: Never.

Mr. SMITH: The automated point defence missile system, Air Marshal; is that what you referred to as the Sparrow?

Mr. SHARP: Yes.

Mr. SMITH: And is that a modification of an American system?

Mr. SHARP: Parts of the system are, yes, but not all of them.

Mr. SMITH: We use the same terminology, and their weapons called the Sparrow is the same as ours?

Mr. SHARP: It is called the Sea Sparrow.

Mr. SMITH: It has been in production in the United States for a number of years?

Mr. SHARP: That is part of the system.

Mr. SMITH: When will it be effective on our destroyers?

Mr. SHARP: I believe that comes in about the same time as the previous item that you were talking about.

Mr. SMITH: In other words, in 1969?

Mr. SHARP: Yes. I would really want to check that to be sure, but it is in that area.

Mr. SMITH: It is some distance in the future, in any event. Command and Control System 280. What stage of acquisition or development is that in?

Mr. SHARP: How do you describe its stages?

Mr. SMITH: Well is it effective; is it being used?

Mr. SHARP: Oh, no; not completely.

Mr. SMITH: When will it be used?

Mr. SHARP: I believe that also is in about the same time phase, but I would have to look it up.

Mr. SMITH: When we get the DDH's we will have the advantages of items 2 and 3. Is the anti-submarine rocket system operational yet, or is that going to come with the new DDH's?

Mr. SHARP: The answer to both questions is "yes", but I believe it is a different modification that is operational now. In other words, I believe ours will have improvements on it.

Mr. SMITH: When will those improvements be effective?

Mr. SHARP: Again, in about the same time phase.

Mr. SMITH: In 1969 or 1970, depending on when we build the new DDH's; is that right?

Mr. SHARP: Yes.

Mr. SMITH: Have we acquired any Buffalo aircraft as yet?

Mr. SHARP: No, we have not taken delivery of any yet.

Mr. SMITH: When do we expect delivery of those?

Mr. SHARP: Late this year or early next year.

Mr. SMITH: Are we constantly acquiring helicopters for Mobile Command? Have we acquired those yet, or when will we acquire them?

Mr. SHARP: We have not decided yet when to acquire the new helicopters that I referred to here, but we are in almost the negotiation stage for some of them.

Mr. SMITH: They have not actually been acquired?

Mr. SHARP: No, they have not.

Mr. HARKNESS: What helicopter is this?

Mr. SHARP: There are three different kinds of helicopter that we are considering—three different classes—the heavy, the medium and the light, but the decision on which kind we will actually purchase has not been made.

Mr. HARKNESS: Whose make of helicopter is it? Is it the same heavy helicopter or medium helicopter that we have already bought?

Mr. SHARP: We have not made the decision yet as to what kind, Mr. Harkness, so I cannot answer that.

Mr. SMITH: Is it a realistic statement, Air Marshal, to say that they will be American made? or American designed?

Mr. SHARP: Yes, I think it is probable.

Mr. SMITH: Therefore, the delivery date of those helicopters would very likely depend on the exigencies of the Vietnamese situation?

Mr. SHARP: That would have a bearing on it, I suppose.

Mr. SMITH: We have just been presented with a statement that the American helicopter losses have been much greater.

Mr. HELLYER: There are some of one type, Mr. Smith, that are available to us on a production line that is now running and this is what the Air Marshal was referring to when he said a decision was imminent with respect to a limited number.

Mr. SMITH: When do you think the Air Marshal might acquire those; by 1968?

Mr. HELLYER: For the ones that we are talking about, I think the earliest delivery would be some time next year.

Mr. SHARP: Perhaps late this year.

Mr. HELLYER: In late 1967 or early 1968.

Mr. SMITH: I am very curious about the blanked-out item. Was it the hydrofoil?

Mr. SHARP: Yes, it was.

Mr. SMITH: It is really far in the future, if ever, is that right?

Mr. SHARP: I do not know.

Mr. SMITH: To come to item 6, the new tracked reconnaissance vehicle, at what state of acquisition is that?

Mr. SHARP: We have committed to buy those.

Mr. SMITH: And when will we get delivery of them?

Mr. SHARP: I am not too sure, but I think it is this fall or early next year.

Mr. SMITH: The CF-5 tactical support aircraft?

Mr. SHARP: I believe we will accept delivery of the first one off the line late this fall.

Mr. SMITH: Is that the tracked reconnaissance or—

Mr. SHARP: No, the CF-5.

Mr. SMITH: People who read military publications and other reports get mixed assessments of the value of the CF-5 from its use in Viet Nam. Now, I do not want you to breach security or anything, but what assessment has the defence department made? Is it completely satisfied that the CF-5 is a good and useful plane for the department?

Mr. SHARP: Oh, yes.

Mr. SMITH: Or is it only just the best available?

Mr. SHARP: It is both.

Mr. SMITH: I did not mean only the best available. Is it the only one available for the type of use we have envisaged?

Mr. SHARP: No, it is not the only one available, but on assessing the relative merits in the roles in which we are planning to use this aircraft, this one is the best.

Mr. SMITH: It has been in production in the United States for quite a number of years?

Mr. SHARP: A mark of it has, yes.

Mr. SMITH: This was at least 1963 or earlier. Have there been any significant improvements on it, or changes in it, since 1963?

Mr. SHARP: Yes, we will be incorporating significant improvements in our version.

Mr. SMITH: The M113A11 armoured personnel carrier?

Mr. SHARP: We have those in some numbers.

Mr. SMITH: What about the Hercules aircraft; have you acquired those?

Mr. SHARP: We have recently built up strength on those, yes.

Mr. SMITH: Now the Falcon jet aircraft is not primarily a military aircraft?

Mr. SHARP: No, it is an off-the-shelf item.

Mr. SMITH: It is sold in the United States as an executive aircraft?

Mr. SHARP: Yes, it is.

Mr. SMITH: It has a fairly low passenger capacity but there are some good things about it?

Mr. SHARP: It has high speed.

Mr. SMITH: High speed, but not primarily—

Mr. SHARP: It is not an operational aircraft.

Mr. SMITH: Nor would it be a very significant plane in supporting a peace keeping force or anything in that sense? It will not carry enough people.

Mr. SHARP: No.

Mr. SMITH: The BUIC program; how far along is that? What is it?

Mr. SHARP: At the present time the radar information that comes in from the different radars is fed into rather large computers, a few of them spread out across the United States and Canada. The BUIC plan is to take smaller and less

sophisticated computers and spread them out as alternates to the big computers that we now have in existence.

Mr. SMITH: It is a secondary radar system?

Mr. SHARP: It is a secondary computer control system.

Mr. SMITH: How far along is that?

Mr. SHARP: If my memory serves me correctly, we have reached agreement on the prices and sharing with the Americans and the program has been approved. When these actually will come into effect and be operational, I am not too sure.

Mr. SMITH: This is not directly in line with the questions I have been asking, but is there any present plan for the Bell Telephone Company to take over any Air Force communications system?

Mr. SHARP: In the Air Defence System, for example, a great many of the lines that we require to pass information from the radars to the computers are supplied by Bell; they are leased from Bell and other telephone companies.

Mr. SMITH: Is there one now being operated by Marconi that is being sold or transferred to Bell in on the Air Defence communications system?

Mr. HELLYER: Mr. Smith, I do not know what the situation is. Therefore, I prefer not to answer the question. If it is important we will take it as notice.

Mr. SMITH: I will just add, then: Is there one Air Force communications system related to the Pine Tree radar line that is being taken over by Bell Telephone on April 1? If you are getting the information for me you might also get the information on whether it is being sold and, if it is being sold, how the price was determined and all the relevant facts. I realize there was an interjection at this point.

The CHAIRMAN: Order, please.

Mr. McINTOSH: I will confine myself to one question. Air Marshal, in 1963 the Minister made this statement:

We rely on the protection of the strategic air command and approve of its constant flights over our territory.

Is that policy still in force?

Mr. SHARP: Yes.

Mr. McINTOSH: Has there been any expansion of it since 1963?

Mr. HELLYER: That is classified, I think, Mr. McIntosh.

Mr. McINTOSH: Which is classified?

Mr. HELLYER: The number of flights.

Mr. McINTOSH: No, I mean any expansion to any other concession.

Mr. HELLYER: To the Strategic Air Command?

Mr. McINTOSH: Or to any to the American forces.

Mr. HELLYER: I do not think so although I would not want to give you a categorical answer that we have not signed any agreements of a reciprocal

nature in the meantime which might literally say, yes to your question. I would not want to say without further checking, but there is nothing of significance that I can think of.

Mr. McINTOSH: Nothing was classified when you made this public statement.

Mr. HELLYER: It is quite clear, but I thought you were asking for the number of flights.

Mr. McINTOSH: No, actually I am thinking more of any concessions with regard to our coastal waters.

Mr. HELLYER: The answer is, no.

Mr. McINTOSH: Submarine detection, and so on off our coasts?

Mr. HELLYER: There has always been complete co-operation in these areas and there have been no new treaty negotiations or anything of that kind to which you are referring.

Mr. McINTOSH: In other words, there has been no expansion that you are aware of at the present time?

Mr. HELLYER: No, we have a responsibility for a big chunk of the ocean, you know. We do a pretty effective job on it and we intend to continue to do so.

Mr. FORRESTALL: I have a supplementary to that, Mr. Chairman. It might be of a classified nature. When you say "we have a substantial responsibility" are you referring to the unit at Shelburne, Nova Scotia?

Mr. HELLYER: No, I was referring to Maritime Command.

Mr. WINCH: Can I also ask one supplementary here? Are there any overflights in Canada by aircraft which carry armed warheads?

Mr. HELLYER: Mr. Winch, I think General Power once said in answer to that question that they are not playing games up there.

Mr. WINCH: In other words, the answer is, yes.

Mr. HELLYER: Well, I—

Mr. WINCH: Thank you; that is what it is.

Mr. HELLYER: You can draw your own interpretation, Mr. Winch—

Mr. WINCH: What other interpretation can there be?

Mr. HELLYER: —and, quite frankly, I cannot see why the restrictions on answering these questions directly exist, but I think once you have that much information you can draw your own correct conclusions.

Mr. CHURCHILL: Are we going on until 6 o'clock, because I have a couple of questions.

The CHAIRMAN: Yes, I think so.

Mr. CHURCHILL: All right. I would like to refer back to—

The CHAIRMAN: I would like to get on to a presentation by General Dare this afternoon, if we could.

An hon. MEMBER: Good Lord no, not at this hour.

Mr. HARKNESS: I do not think there is any chance. I have a number of other questions, too.

An hon. MEMBER: I have some myself.

The CHAIRMAN: There is a vote in the House at 9.45 o'clock. I have to leave it up to the Committee but we have a meeting laid on here, if we wish to use it, at 8 o'clock. I gather the presentation will last around 45 minutes, gentlemen, and it is a matter concerning reserves which may not be so contentious. We have done a lot of roaming around on the questioning because we are just getting into the general problem, but sooner or later, I think, we will have to devote our attention more specifically. I think after three days we could be expected to devote our attention more specifically to the bill itself. This is background material, I take it, that we have been gathering and it has all been germane, no doubt. But we have half an hour now and if you would like to carry on with the questioning, and then get started with General Dare, we will see how long the questioning takes.

Mr. MACALUSO: Mr. Chairman, you were talking about the timetable. Is it possible for you, before we adjourn, to give us an agenda for next week indicating who is coming, and the times?

The CHAIRMAN: I can give you an indication of what I have been working on. I have been given a number of names and groups which we have been asked to try to get to appear. It has been a bit difficult to get everyone for one reason or another, but as your Chairman I have attempted to put together a rough timetable and I will be glad to give that to the Committee before we leave today.

Mr. CHURCHILL: I want to ask a question on the subject of unification which, I think, is our main concern. Unless I misunderstood the Minister, he said he had not made any particular claims to the saving of money on unification itself. But on page 2 of the document we had yesterday, plus the chart that accompanied that document, the first aim of unification is to, and I quote:

Reduce overhead costs, and costs for non-operational activities so that we could devote a larger percentage of our budget and resources to operational functions, particularly the procurement of modern operational equipment.

This is a public statement to the effect that the aim of unification is to save money to buy modern operational equipment. So, the Minister, although he may not have made statements earlier to that effect, has now committed himself to stating publicly that this is the purpose, and the first purpose, of unification. The question I want to ask is with regard to the statement at the top of page 2 of the document which I dealt with a bit earlier today on the so-called escalation ladder. I would just ask the Vice Chief about that first paragraph which refers to preventing minor confrontations throughout the world from escalating into all-out war. My question is this: does the general staff see actual punitive activity on the part of our armed forces where some trouble has started—call it a minor confrontation—or do you visualize actually participating in armed intervention? The reason I asked that question is that up to the present moment in our peace-keeping operations we have not been involved in armed intervention, we have come in afterwards. Is it armed intervention that you consider there in preventing minor confrontations from escalating into all-out war?

Mr. SHARP: Mr. Churchill, in the first place it would, of course, be up to the government to decide to what extent we would participate. I also think you could visualize a situation where we might go in on a purely peace-keeping situation, such as in Cyprus, and be placed in a position where we might have to fight, and therefore I think we should be prepared for this. However, it would really be up to the government to decide whether or not we would go in with the deliberate intention of doing this, but I think we in the military would have to be prepared for this eventuality.

Mr. CHURCHILL: I quite agree with that. It is a government decision but you have to be prepared for that and this is part of your preparation, armed intervention if necessary?

Mr. SHARP: I believe we should be prepared for this eventuality, yes.

Mr. CHURCHILL: May I ask the Minister what is wrong with having special forces, separate and apart from our fighting services, to do the work that we are now doing and have been doing in the Gaza strip and in Cyprus? Why should we devote our fighting forces to something which does not involve fighting? My information is incomplete with regard to the armament carried by those forces but I doubt very much if it is more than self-protection.

Mr. HELLYER: Mr. Churchill, since you made this suggestion in the house I have not had a chance to have a thorough analysis made of it, but my instant reaction is that it would be more expensive and would cost any national government more to maintain separate forces to perform these separate roles individually than it would to have a single force which could perform these roles as part of its over-all capability and responsibility. One of the reasons I say that is that usually these peace-keeping activities involve extended periods and it requires a tremendous number of personnel rotated through the various operations for short periods, and if you were to recruit and train a force just for this alone it would have to be a very large force and if you build up a very large force for such a very modest requirement side by side with a large military force then, in fact, you are duplicating the most expensive parts of the two organizations, which are their personnel and their administrative structures. I would think that it is far more economical and, therefore, more in the national interest to have our servicemen undertake this as an extra role, which they can undertake from time to time as required as part of their over-all responsibility. I am convinced, without studying the matter too deeply, that this is the most economical method of approaching it.

As far as experience is concerned, our Canadian servicemen have distinguished themselves in every United Nations operation in which they have participated. I think they have been absolutely wonderful ambassadors for Canada. I have often said, for example, that you just could not go to Cyprus and go up on the mountain top called Whiskey Mountain and see these young Canadian servicemen half way between two armed groups without being terribly proud of them and without having a lump come in your throat, or to go down in the villages and see a young 20-year old corporal who is in charge of a section in charge of the whole village and being a magnificent ambassador for Canada. As far as I am concerned, we have proven that well-trained and well-disciplined military people can do these jobs very effectively and, in most cases, I think they are happy to do them. I am sure these are some who would say from

time to time that this is not the primary role they were trained for, but at the same time it is a role they undertake very effectively and the discipline they have been subjected to and the self-discipline they have learned in their early training suits them very well for these roles, and they have done an extraordinarily good job for Canada every time they have been called on to do so.

Mr. CHURCHILL: We may not be too far apart on this. I advanced that idea in a spirit of helpfulness and would have developed it more fully had I had more time, but I had to spend the first part of my speech criticizing yours. I quite seriously hope that you will give it more consideration and weigh the advantages against the disadvantages. You have shown us some of them now but, at the same time, I hoped I could assist you in extricating yourself from a difficult position because I believe that you could retain the fighting forces—Navy, Army and Air Force—perhaps at a lesser level than at present and divert some of the funds and some of the personnel to this other job.

It is pretty expensive training to put men through all the courses they go through to make them fighting troops and then detach them for police-keeping duties. I think they are doing this very well. I think it is an admirable show they are putting on and I think it is a good career opportunity, but actually my hope was that you would defer the pursuit of your program of unification until that other idea had been very carefully examined. You may say that it will cost more. Perhaps we could reduce our present costs to some extent or perhaps the Canadian people would give more money for something of that nature. I think there is general agreement in Canada that our peace-keeping operations are a good thing to do, a good national effort, in support of the United Nations. I thought we might have an out here so that everybody would be satisfied. We keep our Army, our Navy and our Air Force and we also do this other job for the United Nations and set an example to the world, and it provides opportunities to young Canadians for which they seem to be well suited. In addition to the organized military training that you give a force of that nature, you might give them some diplomatic experience in order that they can deal with people in foreign countries. We might be able to develop something which would be a distinct Canadian contribution to the maintenance of law and order in the world.

One other thought—and I do not want to prolong my remarks—is that it seems to me that when we send portions of our organized fighting forces into areas like that, and we have not made the decision that they will engage in hostilities, that it would be better if they were not completely representative of our fighting forces. That is, they would not be the Royal Canadian Dragoons, for example—"Dragoon" is not a good word in some countries—or they would not represent actual tank forces or fighting infantry forces. I think there is a psychological effect there when they go as ambassadors of good will but charged with the responsibility of maintaining law and order. I regret I did not have time to develop that fully. I put it forward as an idea for consideration and as a half-way mark between what we are now in controversy about. We might satisfy everybody in the country if we can do that.

Mr. ROCK: Is that not exactly what we are trying to do directly?

Mr. CHURCHILL: No, we are diverting our armed forces to this other purpose.

Mr. HELLYER: Mr. Churchill, I appreciate your assistance but I think if you go back over the history of the United Nations' operations we have been involved

in you will find, first of all, that something like 30,000 Canadians, I think, have participated in United Nations' operations, which is a sizable group. Secondly, the variety of training they have required or the types of personnel and units that have been required have varied from a few observers to transport airplanes to ships to a brigade, and that is a pretty wide variety of requirements. Now, by the time you trained a peace force to encompass all of those capabilities you would have a pretty expensive operation on your hands, and I think the best method of meeting these emergencies which occur from time to time is to have it as an extra responsibility—almost a bonus, if you want to call it that—for the very effective and well trained armed forces that we have in this country.

Mr. LANGLOIS (*Chicoutimi*): May I ask a question of Mr. Churchill? Would those men be armed? Would they have rifles?

Mr. CHURCHILL: They would have to have something in the nature of arms for protective purposes, just as in the case of the Royal Canadian Mounted Police.

Mr. LANGLOIS (*Chicoutimi*): Would they be wearing a uniform?

Mr. CHURCHILL: Yes, and here is where you could have your distinctive and separate uniform.

Mr. LANGLOIS (*Chicoutimi*): But would the people who see them arriving still believe that they are Canadian Army soldiers, or what?

Mr. CHURCHILL: I do not think they think in terms of Canadian Army; this is what I was trying to get away from. They would be the Canadian peace-keeping force under the United Nations. They would have the two things; the United Nations insignia and the Canadian insignia. I think it is worth considering. I cannot say that I have thought out all the implications of it.

The CHAIRMAN: Gentlemen, that appears to complete the questioning of Air Marshal Sharp.

Mr. HARKNESS: No.

The CHAIRMAN: You are back on the questioning, Mr. Harkness.

Mr. HARKNESS: I have a couple of other matters I would like to mention. Reverting, really, to the roles of our armed forces, one of them, of course, is the matter about which Mr. Churchill was just talking, this support of the United Nations in its peace-keeping operations. Another role would be the support of the NATO alliance in any war in which it might be involved. I think one of the things you must have planned for is involvement in something along these lines, either under the United Nations or in support of NATO in a war similar to the Korean war, which was a war of some fairly considerable size but a conventional war, and in order to take part in an operation similar to that—I take that just as an example—the organization of the forces must be such, I think you would agree, that we can undertake operations of that kind.

Mr. SHARP: Yes, sir.

Mr. HARKNESS: Do you foresee any difficulty in our forces, when they are finally and if they are finally organized into a single unified defence force, I think that is what it is now called, or an amalgamated force, being able to satisfactorily

take part with our allies, particularly the United States or British troops, in an operation of that kind?

Mr. SHARP: No, I do not. In fact, I think it would probably be easier because when it gets into the operational elements, as you know, our allies do have unified or joint commands, so I believe it would be easier to co-operate with them in this respect.

Mr. HARKNESS: Do you not think that in order to take part in an operation such as we took part in in Korea that we would have to have our forces conform to the organization of our allies who were fighting there?

Mr. SHARP: The fighting organization? Yes I do, sir.

Mr. HARKNESS: In that case, then, what you would have to do in effect is reorganize to a considerable extent?

Mr. SHARP: No, sir. We are not changing the organization of our fighting units as a result of unification or integration. In the fighting elements—

Mr. HARKNESS: Have there been any plans drawn up showing how this type of operation could be carried on?

Mr. SHARP: Plans in what respect?

Mr. HARKNESS: In the Department of Defence on how our forces would co-operate with or take part in a joint operation with our allies or with other United Nations troops, as the case might be?

Mr. SHARP: Yes. We have certainly considered this, but I do not honestly see how there would be any problem resulting from unification or integration in the fighting zone. The fighting organizations are not being changed as a result of integration. However, they are being changed as a result of re-equipping, and this does not have anything to do with integration.

Mr. HARKNESS: In a recurral, for instance, of something like the Korean affair and we send a brigade group over there, after we had sent the brigade group what would be left of mobile command except its air component?

Mr. SHARP: If its air component did not go, that would be left behind, I agree.

Mr. HARKNESS: And there would be nothing else left in mobile command?

Mr. SHARP: Well, we have more than one brigade.

Mr. HARKNESS: For practical purposes the mobile command would cease to be of much value?

Mr. SHARP: No, sir.

Mr. HARKNESS: Well, what would it have left?

Mr. SHARP: Well, there are three brigades in mobile command.

Mr. HARKNESS: All right, but if one brigade group is in Europe and one brigade group went to Korea, all that you would have left in this projected organization is two light brigades, and you would have this great organization of mobile command to look after two light brigades, and you would have this great organization of mobile command to look after two light brigades and an

odd armoured regiment. In other words, it seems to me that it is a wasteful type of military organization rather than the reverse.

Mr. SHARP: Well, I think it is better than the four organizations they had previously doing the same thing.

Mr. HARKNESS: No. As a matter of fact, under the previous operation—and why this happened I do not know—when we came to send a brigade we had one brigade here in Canada and instead of sending it we promptly called on the militia and raised another brigade and sent it over.

Mr. SHARP: Well, I do not know whether we would do that again or not, Mr. Harkness.

Mr. HELLYER: I think I can tell you right now we would not. Right now we would send one which we have in existence. We have them there and the reason we are buying equipment for them and the reason we are buying transport for them is that if we did want to send them we could.

Mr. HARKNESS: At that time it was not done. Now, to revert to this business of the need, as I anticipate it would exist, to reorganize to a very considerable extent in the event of war and in the event of our participation, you say that there is really no plan to reorganize for that purpose?

Mr. SHARP: No, because it would not be necessary.

Mr. HARKNESS: Well, is there not some sort of a plan which is called by the very peculiar name of "Organizational Adaptor Plug"?

Mr. SHARP: Not to my knowledge.

Mr. HARKNESS: Well, I wish you would look into that and let us know at the next meeting because my information is that there is a plan which goes under that very odd and peculiar name for the very purpose of reorganizing the forces in the event of something along the line that I expect or a more widespread war than that.

Mr. SHARP: I am sorry, I am not familiar with that term, Mr. Harkness.

Mr. HARKNESS: Well, perhaps you could look into it and see what there is on it and let me know. It is called on "Organizational Adaptor Plug".

Now to come back to the start of this whole unification business, I would like to ask the Minister what the real origin was of the concept of a single force as now envisaged and as outlined in the Minister's speech? I ask this particularly because when this question was raised before the Defence Committee in 1964 by Mr. Lambert, actually, the Minister gave a very evasive reply at that time and I would like to ask particularly what reports were called for and who made them in regard to this whole matter of unification.

It is quite apparent from the statements which have been made by Admiral Rayner that he was not called on to make any report on the matter and did not do so. Did the other Chiefs of Staff make any reports in regard to the desirability or otherwise of unification, and if so what were those reports, or were the Chiefs of Staff at that time only consulted after the course of action had been decided upon?

Mr. HELLYER: Mr. Harkness, I do not think it is customary for Ministers to give the specifics concerning the advice they receive from different people. This

is contrary to all our parliamentary practices and I think it suffices to say that the Minister has to assume the responsibility for the decisions that are made, regardless of what the advice may be. Now, in so far as the origin of the idea is concerned, I suspect I was only a stripling when the idea was originated. If you read your history books, it is referred to in many cases as an idea that has been thought about by people with a lot of military experience. If you go back and read through the files of bright young officers attending staff college you will find literally dozens, and probably hundreds, of essays written on the idea of the single service as a solution to many of the obvious problems that were developing and like many other ideas, I do not think it can be attributed to any person, it springs up more or less spontaneously in many parts of the world, and the only thing that we have ever said was unique about the Canadian situation was that we were taking the idea and putting it into effect.

Mr. HARKNESS: I know that it is an archaic idea; in fact, it was the type of organization which existed 300 years ago and we have made considerable progress since then, but now you are going back to it. My question, is on whose expert military advice did you come to this conclusion?

Mr. HELLYER: Mr. Harkness, I do not think you can really say that going back to the days of sail and the days before airplanes could be called progress and I do not think you would seriously suggest that the situation today is comparable to any previous time in history, let alone to the days of 300 years ago. I think that most of us—I know this is true of the military staff that I work with—are more interested in today's problems and the problems of the years ahead. We know, as a result of the technological change that has taken place in the last 10 or 20 years, that there are problems unique in the military science which have never existed before in all recorded history, and it is these problems that we are attempting to cope with by this reorganization, not the problems of sailing vessels of 300 years ago.

Mr. HARKNESS: On the contrary, however, it is the technological progress which did take place which led to the development of three separate services and which led, within the Army alone, to a considerable number of different corps. It was entirely due to technological progress that separate arms of the services and separate services developed.

Mr. HELLYER: That is absolutely correct and this further technological process is the reason that you have to change them.

Mr. HARKNESS: Well, essentially my question was on what experience and military advice did you rely in coming to the conclusion that this action should be taken?

Mr. HELLYER: Mr. Harkness, on the basis of my experience in the department during the first few months that I was there I came to the conclusion that the only adequate solution to the problems which are presented to a Minister of National Defence at the present time was a single service.

Mr. HARKNESS: Is that another way of saying that you did not have any expert military advice that this was the course of action to follow?

Mr. HELLYER: Not at all, Mr. Harkness. Lots of military people told me that it was the right solution.

Mr. HARKNESS: You say "lots of people". Did any of the Chiefs of Staff and the other senior officers of the department at that time tell you that this was the proper solution?

Mr. HELLYER: I will put the answer to that question in my memoirs, and if any of them care to come here and tell you what their opinions were at the time, they are entitled to do that as free citizens, but it is not my prerogative—at least under the way I understand our system to operate—to single out individuals and say what their particular views were because if I were to do this, and if we were to establish this practice, then it might be very difficult to get honest views because people would not want their departmental chieftain going around making public the best advice that he has been able to get on it.

Mr. HARKNESS: Well, I expect that we will have evidence from some of these gentlemen in regard to this matter, but I thought it was a good idea to give you the first opportunity to tell us the basis on which you had come to the conclusion that a unified force was desirable, but apparently you do not wish to do so.

Mr. HELLYER: I appreciate the opportunity very much. While I have the chance, Mr. Chairman, I could reply to Mr. Harkness' earlier question about the equivalent of senior staffs of general rank and above. First of all, for headquarters, July 31, 1964—this is the information that has just been provided to me—we had one general, 3 lieutenant generals, 13 major generals and 38 brigadiers. On January 31, 1967, one general, 4 lieutenant generals, 9 major generals and 32 brigadiers. In so far as the three forces are concerned, on July 31, 1964, we had one general, 6 lieutenant generals, 32 major generals and 96 brigadiers.

Mr. HARKNESS: I did not ask for 1964. In both of these cases I asked for 1963, and certainly there were not 6 lieutenant generals in 1963.

Mr. HELLYER: Including, I think, one seconded to the National Capital Commission.

Mr. HARKNESS: Well, I do not think—

Mr. HELLYER: I was going to give you a comparable figure now.

Mr. HARKNESS: In fact, I said excluding people on these special jobs such as the Deputy Commander of NORAD, and so forth, What I asked for is the people who are actually engaged in the operation of the Canadian defence forces.

Mr. HELLYER: If you exclude the one seconded position at that time, and if you exclude at the present time those on rehabilitation leave or secondment, then the figures were one general, 5 lieutenant generals, I presume it remains at 32 major generals, and 96 brigadiers, although I would have to check that out, and on January 31, 1967, one general, 7 lieutenant generals, 23 Major generals and 80 brigadiers.

Mr. HARKNESS: Well, the figures I would like are the ones, we will say, for January 1, 1963, instead of July 31, 1964, after some of these things had already been done. At that time there was one full general and three lieutenant generals.

Mr. HELLYER: With headquarters and—

Mr. HARKNESS: No, that was all there were in the direct management, and so on, of the Canadian forces. There was a lieutenant general seconded as deputy commander of NORAD.

Mr. HELLYER: And one at SHAPE.

Mr. HARKNESS: And one at SHAPE. But they were there on special jobs and they had nothing to do with the ordinary operation of the Canadian forces. This is what I asked originally; excluding those, what were the numbers?

Mr. HELLYER: If you want to exclude all the Part II positions and use those two dates, we will get figures for you but we will have to do that for you tomorrow.

The CHAIRMAN: Do you wish to continue at 8.00 p.m.? Well, before we leave perhaps I should give you an indication of what we have to do next week. You asked me about this earlier. I have tentatively arranged on Monday for a joint presentation of the Naval Officers Association of Canada, the Navy League and the Royal Canadian Naval Association. On Tuesday, Admiral Brock and Admiral Dillon. On Wednesday, Admiral Landymore. On Thursday, General Foulkes. I am still working on other names, and if I have the concurrence of the committee—they have already indicated that they could attend—I will send off telegrams through the secretary.

So, we will now adjourn until 8.00 p.m. this evening.

EVENING SITTING

The CHAIRMAN: Gentlemen, we have a quorum. General Dare, who is known to practically everyone here, has been waiting in the wings for some time and I would ask him now to make his presentation.

Major General M. R. DARE (*Deputy Chief Reserves*): Mr. Chairman and Gentlemen; In mid-1965 Defence Council authorized the establishment of a regionally oriented organization to be responsible for the Army Reserves and Cadets, Civil Defence operations, aid to the civil power and provincial representation. Existing arrangements for local control of RCAF and RCN Reserves were to continue as a temporary arrangement, but an integrated reserve organization was to be the ultimate goal. As a result, the sub-branch, Deputy Chief Reserves, was created on September 1, 1965 and on April 1, 1966 the Deputy Chief Reserves assumed command of the reserves and survival organization. I will not dwell on the responsibilities or the structure of this organization for reasons which will shortly I hope, become apparent.

In August, the Chief of Defence Staff, General Allard directed me to review the entire reserves and survival organization to include tasking, command and control, training equipment and organization. The aim of the study was to establish realistic tasks for the reserves within the concept of the forces-in-being, and to meet requirements during the period 1966-76.

Mr. HELLYER: General, I wonder if the committee would permit me to interrupt just for a minute.

This afternoon Mr. Harkness made a statement which created an impression which, I think, was unfair and unwarranted and which I know that a former Minister of National Defence would not want to make or would not want to have broadcast across the country. He used figures which, in fact, would create an impression which is not, in my opinion, justified from the facts.

May I just be permitted a moment to set the record straight. The figures that were included in the chart that was prepared and distributed were wrong only in so far as the labelling is concerned in this respect; that the percentage shown for capital was only for the armed forces part of the budget.

Vote 15—in other words departmental administration, was not included, mutual aid, defense, research, pensions and other statutory items. On this same basis, the figures from 1958-59 through to the present time have been: 32.1 per cent, 26.3 per cent, 25.1 per cent, 26.1 per cent, 22.2 per cent, 20 per cent, 18.6 per cent, and for the year in question 17.9 per cent. Therefore in respect of the graph as to the proportion of the moneys available for the armed forces themselves, excluding these statutory items, it was in fact an accurate portrayal. I would hope that the records would be corrected, and I would hope that the Canadian press would report this at once so that the publishers of newspapers in this country would know what the facts are. I would like this erroneous impression corrected before it becomes too widespread. I think that the Canadian press has a responsibility to do that and I would request that the Canadian press reporter do this at once in order that all of the facts be available to the people of this country. I am sure that Mr. Harkness, the former Minister of National Defence, would not want the wrong impression created.

Mr. HARKNESS: Mr. Chairman, actually I feel just the opposite; the Minister is now trying to cast doubt on the figures which I produced this afternoon and which I took from the Auditor General's Report. I took them from it for the express purpose of showing that the general impression which he is trying to convey, not only in this committee but in the House of Commons and throughout the country for the past three years, that large amounts of money were being saved on the administration and general operating expenses of the services and that those large amounts of money were being devoted to the purchase of new equipment, is not correct. The figures from the Auditor General's Report show absolutely conclusively that the reverse is the case: that the amount of money spent for equipment has declined steadily in the last four years and is at the lowest point it has been, I think, since immediately after the Korean War in 1965-66.

Mr. HELLYER: It declined to 1965-66, but the figures for 1966-67 show a forecast increase, which does in fact reflect the savings that we have indicated that are being made available for new equipment.

Mr. SMITH: Do these figures show a forecast increase or an actual increase?

Mr. HELLYER: The fiscal year has not ended yet and therefore, it was a budgeted increase on the basis of the—

Mr. HARKNESS: As a matter of fact, the figures you refer to are an estimate, which may be overspent or may be underspent—we do not know yet, whereas the figures I am referring to are the actual figures shown in the Auditor General's report. With them I think there can be no arguments whatever. In fact they are the only figures, as I said this afternoon, that we can rely on.

Mr. DEACHMAN: Mr. Chairman, for the information of the committee, I wonder whether Mr. Harkness could tell us from what pages of the Public Accounts and what items he drew his figures, in order that we may all have an opportunity to look at this and so that we will have it in the records.

Mr. Harkness' figure, as I recall it this afternoon, for the year 1965-66 the one that was in final dispute, came up to something like 13 per cent. Was that not the figure, Mr. Harkness?

Mr. HARKNESS: As a matter of fact, as far as equipment is concerned, it was 12 per cent: \$192 million and 12 per cent of the total expenditures of the Department for the year 1965-66.

Mr. DEACHMAN: I have a copy of the Public Accounts for 1965-66 before me as well, which I think is the volume you are reading from.

Mr. HARKNESS: Yes, that is right.

Mr. DEACHMAN: I wonder if we could have the pages that these items appear on.

Mr. HARKNESS: All right; if you will refer to page 2612, to begin with, you will note there the costs given in detail for the acquisition or construction of buildings, works, land, and major equipment, and the major procurement of equipment, all as far as the navy is concerned. If you turn to page 2615, you will find the same items as far as the army is concerned; if you turn to page 2618, you will find the same items as far as the RCAF is concerned, and on the same page you will have defence research and development. That shows an item, which I did not include in the figures which I used this afternoon, for construction or acquisition of buildings, works, land and equipment of \$5,475,000.

Mr. HELLYER: The objection was that this afternoon you created the impression that the department had presented information for the purpose of creating a wrong impression. It is this that I think should be corrected. I have Group Captain McCaig here, who can verify that the figures as we presented them were intended to create a true impression of the situation.

Mr. WINCH: Do you mean that the figures on the draft are the correct ones?

Mr. HELLYER: That is correct, sir.

Mr. WINCH: We would like to have that.

Mr. DEACHMAN: Before we pass to an examination of those figures I think what we were looking at this afternoon were DND expenditures and these appear on this chart. This, I would presume, means the total expenditures of DND. Actually Mr. Harkness, to begin with, has extracted from Public Accounts Army construction, Navy construction, Air Force construction and has left out, as he says, that item, and he has also left out the item on development of \$30 million which appears at page 2602 of Public Accounts.

Mr. HARKNESS: Which is not a capital expenditure.

Mr. DEACHMAN: If it cannot be put in capital expense I do not know where it is put in the Public Accounts. It certainly is not overhead; it has nothing to do with personnel; it is not operating expenses; it is not maintenance, and I do not think it can be put in any of those categories. So if you are not going to include it in capital expenditure, then the only other thing that you can do with it is subtract it from the total on which you took your percentages. So this is one factor that you did not include. Another thing that you did was to give the impression to this Committee and to the press this afternoon that—

Mr. HARKNESS: And I think the proper impression.

Mr. DEACHMAN: —the percentages that you gave were DND expenditures. They were not DND expenditures; they were some expenditures carefully extracted from the Public Accounts but not including all the DND expenditures.

Mr. HARKNESS: I gave—

Mr. DEACHMAN: And I might want to—

Mr. HARKNESS: Mr. Chairman, on a point of order—

Mr. DEACHMAN: Let me finish.

The CHAIRMAN: Mr. Harkness, on your point of order?

Mr. HARKNESS: On a point of order, this is completely incorrect. I gave the total figure of DND expenditures for 1965-66 and also for the other years. I gave it as \$1,548,446,000, and it will be found in the record.

Mr. WINCH: Mr. Chairman, may I speak. We can get into recriminations here, which is not good for our Committee. I understand that we have a witness before us who will give us the evidence on the base of which the graph was drawn. Would the honourable gentleman now give us that evidence so that we can ascertain whether or not the graph is a true one.

The CHAIRMAN: I think Mr. Deachman, if both you and Mr. Harkness would agree, that this would be a useful exercise.

Mr. DEACHMAN: I quite agree.

Mr. WINCH: Give us the evidence as to that graph and whether or not it is a true picture as today presented to us.

Group Captain A. McCAIG (*Department of National Defence*): The graph, as presented here, was intended to show the relationship of capital spending versus O & M spending for the defence services—that is, the armed forces portion, Vote 15, and the ratios within that vote only rather than the capital expenditures as a ratio of the DND expenditures in total. Therefore, the chart would better have been labelled, "Defence Services" or "Armed Forces Expenditures" rather than DND expenditures. So when one shows as a ratio the capital expenditures of the armed forces but applies that not to the armed forces total but to the DND total, you obviously get a lower percentage, which are the figures which Mr. Harkness used in his example.

This chart was intended to portray the ratio of capital and O & M spending within the armed forces' vote 15, and the percentage ratios which the Minister read out are those which this chart is intended to portray.

Mr. HELLYER: Mr. Chairman, we are sorry that this difference in the labelling occurred, which I think gave Mr. Harkness every right to raise the question. The point that I want to make—and I am sure Mr. Harkness would agree with this—is that the distinguished officers and men of the defence department who prepare this kind of thing do not, nor would they under any circumstances, present information which was incorrect or intended to be incorrect. This was the point that I wanted to make and to clear up right away. I am sure Mr. Harkness would agree with that.

Mr. HARKNESS: I would agree immediately that the officers of the department are not going to engage in dishonest practices, if that is what you mean.

Mr. HELLYER: This is a very important point.

Mr. HARKNESS: I agree with that immediately but, at the same time, I think that the Minister and the officers of the department have been so concerned in trying to oversell this case, that they saved a lot of money on administrative costs and that this has been used to buy new equipment, that it has lead them into this error which has occurred. The basic reason I brought this up was to demonstrate the fact that this basic contention which has occupied so much of the Minister's and the officials' attention in the evidence that we have had here and in the statements which have been made across the country is absolutely incorrect, and that the amount of equipment purchased has steadily gone down, both as a percentage of the DND budget and in actual dollars.

The CHAIRMAN: If I interpret this correctly, had this chart been labelled not "DND expenditures" but "Defence Services" or "Armed Forces Expenditures" from Vote 15, this matter would never have arisen. Am I correct in that interpretation? If so, I would suggest that the Committee now make this change on their own charts and that we instruct the secretary to see that the changes are made in any further issues of this. Perhaps we could now permit General Dare continue with his explanation.

Mr. HELLYER: I apologize to the General for the interruption but this has gone all across the country and I think it is only fair to the people who spent so much time preparing this data that this erroneous impression be corrected at once.

Mr. HARKNESS: And the title.

Mr. CHURCHILL: Mr. Chairman, there is just one thing. This percentage basis is obviously insufficient. May we now have the actual dollars and cents, the actual figures?

Mr. SMITH: Could we have a corrected chart inserted?

The CHAIRMAN: It would seem to me that the chart is correct with that change. If there is another chart based upon a different series of figures that you would like to have, and different costs, I am sure it will be produced if we ask for it.

Mr. HARKNESS: The chart, of course, has misled the Committee and I think has misled the country. I do not think that there is any use saying that the chart is correct with this change and so forth. I think that the only way people could get any real idea of what the situation is in regard to the equipment end of things is the actual figures. I gave those figures this afternoon and I hope that they are in the record. If they are not, I would be glad to put in the record again the actual amount spent on equipment during the last five years.

The CHAIRMAN: I think they are in the record already, Mr. Harkness.

Mr. HARKNESS: If they are not in the record, I shall certainly take occasion to put them in the record after it comes out.

The CHAIRMAN: They are there now, as I understand it.

Mr. HARKNESS: Just in case they are not in the record, I will read them again.

The CHAIRMAN: I think that they are in the record, Mr. Harkness.

An hon. MEMBER: I do not think that we should take up any more time on it.

Mr. HARKNESS: I did not raise the matter again. Do not blame me.

Mr. HELLYER: I apologize to the General for the interruption but as I said, I thought that this was important.

Mr. DARE: At the same time all other activities for which I am responsible were re-examined to determine whether they are being carried out in the most effective and economical manner.

The results of these studies is a plan which, as Air Marshal Sharp told you in his opening speech, was prepared in consultation with my field commanders, and my militia advisers, and it has been discussed with the National Cadet Advisory Group which is composed of representatives of the Navy League of Canada, The Cadet Services of Canada Association, and the Air Cadet League of Canada.

Following approval in principle by the defence council, the final step was to present the plan in detail to the conference of defence associations, for I was convinced that without the full support of this august group of gentlemen any plan for the reserves would fail. This, too, was accomplished in mid-January, specifically, the 12th to the 14th, and we are now beginning the implementation phase, the first step of which is to acquaint the reserves themselves of what the future holds in store.

Gentlemen, I propose to tell you about our plan in four parts. First, the general details of the tasking of the reserves and the capabilities we propose for them, including some of the training and equipment implications and an indication of the implementation studies and action still required to give effect to these plans.

Secondly, our concept of how we should discharge DND responsibilities for civil emergency operations in peace and war with an explanation of the implication for the reserves.

Thirdly, a short résumé of our cadet proposals. Finally, I want to explain in general outline, our plans for commanding control of the reserves and the civil emergency operations organization.

Generally speaking our plans for the reserves involve a culmination of those actions undertaken to reorganize them after the Suttie, Hendy and Draper reports, were concluded in late 1964.

We have accomplished the actual reorganization in that those units no longer required have been removed from the active order of battle. What remains to be done, to conform to the forces-in-being concept and the White Paper on defence, is to link units of the reserves to those elements of the regular force which they must directly support, clarify their tasks, give to each unit a set of meaningful goals or missions, and finally, improve their training and equipment situation, so that they can achieve their missions.

Examination of the roles for the Canadian army militia assigned to guide the Suttie Commission, and those assigned to the RCNR and RCAF (auxiliary) which guided the Hendy and Draper Commissions allows us to restate them in common terms to give them general application to the reserves as a whole in relation to over-all force goals. The tasks which the reserves must perform are as follows:

TASKS

RESERVE COMPONENTS

- A. Provide specialist individual reinforcements to Regular Force Establishments.
- B. Develop a training base.
- C. Assist in the Defence of Canada, Internal Security and Civil Emergency Operations.

These tasks, in essence require the reserve forces to directly support the regular forces as the most economical means of meeting many contingencies involved at the various levels of national emergency for which sufficient regular force cannot be maintained in peacetime.

It is my firm opinion that here lies the major contribution that the reserve can make to the concept of forces-in-being. We believe that in the years ahead we will find that due to the cost of manpower and equipment the regular force will of necessity be increasingly tasked to specified missions. We feel that the reserves provide the most economical means of increasing the Canadian forces flexibility to meet unforeseen demands.

To perform their tasks, short of general war or in the worst case, general war, the reserve force must have the capabilities shown on this slide.

CAPABILITIES...

- A. PRODUCE TRAINED INDIVIDUAL SPECIALISTS FOR REGULAR FORCE ESTABLISHMENTS IN AN EMERGENCY.
- B. PRODUCE TRAINED SUB-UNITS FOR THE REINFORCEMENT OR EXPANSION OF GROUND FORCES.
- C. PRODUCE TRAINED PERSONNEL AND SUB-UNITS TO ASSIST IN MAINTAINING INTERNAL SECURITY AND AID TO THE CIVIL AUTHORITY.
- D. PRODUCE TRAINED PERSONNEL AND SMALL GROUPS TO ASSIST IN MANNING THE CIVIL EMERGENCY OPERATIONS ORGANIZATION.

The full range of missions which will be allocated to units of all three components of the reserves must be determined in direct relation to the forecasted requirements of the operational and support commanders of the regular forces. So far, some of these are quite clear, others are in the process of being determined and some will not be resolved in the near future. My point here is that defence commitments will not remain fixed and static in the years ahead but will vary with the degree of threat and Canada's involvement as a result of technological advance; so that the reserves must be tasked generally and missioned specifically as required to ensure that they can respond to the various levels of emergency.

We have examined the three environmental components of the reserves which include, not only those units which train actively, but various lists of officers and men whose terms of service are different.

Consideration of the tasks and required capabilities reveals that the reserves can best be divided into six groups as follows:

RESERVE CATEGORIES---

Feb. 9, 1967

NATIONAL DEFENCE

687

1. THE READY RESERVE
TO PRODUCE IN AN EMERGENCY, TRAINED SPECIALIST INDIVIDUALS OF ALL THREE COMPONENTS, FOR REGULAR ESTABLISHMENTS.
2. THE CANADIAN REGIONAL RESERVE
TO PRODUCE TRAINED INDIVIDUALS AND UNITS FOR THE DEFENCE OF CANADA, INTERNAL SECURITY AND THE CIVIL EMERGENCY OPERATIONS ORGANIZATION.
3. THE MOBILE COMMAND RESERVE
TO PROVIDE A TRAINING BASE FOR THE REGULAR FIELD FORCE IF A LIMITED WAR TO EXTEND OR ESCALATE.
4. SUPPLEMENTARY ORDER OF BATTLE
DORMANT UNITS.
5. MISCELLANEOUS ACTIVE RESERVES
RESERVE PERSONNEL WHO, THOUGH NOT IN UNITS OF OTHER RESERVE COMPONENTS, ARE REQUIRED TO UNDERGO PERIODIC TRAINING.
(CADET INSTRUCTORS, ETC.)
6. SUPPLEMENTARY RESERVE
EX-REGULAR OFFICERS AND MEN WHO, EXCEPT WHEN ON ACTIVE SERVICE ARE NOT REQUIRED TO PERFORM DUTY OR TRAINING.

I will deal briefly with each of the first three categories in turn. Categories four to six must exist to account for a variety of miscellaneous personnel and they could contribute under certain circumstances to the first three groups.

Ready Reserve

The Ready Reserve is to contain no units as such. Rather it is made up of selected individuals earmarked to fill specific positions, in response to a need which will be expressed in the annual Manning plan. It will be the Chief of Personnel in consultation with the Vice Chief of the Defence Staff, so far as priorities are concerned, who will coordinate the need of all functional commanders and determine those deficiencies which at various states of emergency will be a charge against the reserve force. The Chief of Personnel will take into consideration the desirability of meeting the needs of operational commanders for specially trained officers and tradesmen by first calling upon supporting commands. In turn he will call upon the reserves to meet the residual needs of both operational and supporting commands.

I would like to illustrate the Ready Reserve by showing the most recently assessed requirements as stated by the commander of the Maritime Command.

THE READY RESERVE RCNR...

	Numbers Required
1. FLEET AUGMENTATION PERSONNEL	
a. Escorts and deep draft	1100
b. Auxiliaries and harbour craft	270
c. Minesweepers	240
2. NAVAL CONTROL OF SHIPPING	600
3. FORWARD AREA BEACH AND HARBOUR CONTROL	180
4. AUGMENTATION PERSONNEL FOR OPS AND ADMIN STAFFS	150
5. BASE SUPPORT PERSONNEL FOR MARITIME AIR OPERATIONS	500
6. NAVAL DIVISIONS (TRG AND ADMIN OF MOBPLAN)	430
7. MOBILE/ DOMESTIC (6 PORTS) HARBOUR CONTROL UNITS	360

I have chosen this example because the individual manpower needs of Maritime Command are those which are available in the greatest detail at the present time. This slide illustrates very well the need to redefine the tasks of all reserve components in common terms, because the first serial shown—fleet augmentation—falls outside the task of the RCNR as stated by the naval board in 1960, and accepted by the Hendy Committee in 1964. Despite this we consider the 1,600 personnel required for fleet augmentation represents a valid commitment.

This slide also illustrates another point. The current ceiling of the RCNR is 2,925, yet we show a commitment for over 3,800 individuals and this figure may well rise if new equipments and other considerations require strengthening of third line capabilities, such as dockyards. On the other hand, the Chief of the Defence Staff has recently directed that the naval control of shipping be reviewed. Dependent on the result, the 600 personnel shown opposite this commitment may decrease.

In presenting these figures I should add, we recognize that manpower fluctuations will be continuous; however, the annual Manning plan as coordinated and issued by the Chief of Personnel will provide the basis for determining the needs of the Ready Reserve.

We do not yet have similar detail for the ground and air components of the Ready Reserve. However, the sort of personnel we propose are:

- Grades 1, 2 and 3 staff officers.
- Intelligence specialists Photo & Map specialists, interrogators, interpreters.
- Stores depot stock control and management officers and senior NCOS.
- Medical, dental and legal.
- Officers for static workshops.
- Movement control and conducting personnel.
- Construction and maintenance engineering.
- Radar specialists.
- Air traffic controllers.
- Financial accountants, etc.

As all needs become progressively known, personnel will be selected—by the name for officers and some senior NCOS—and by numbers for the more common trades. They will be assigned to vacancies on the Ready Reserve List. We propose to initiate a programme for these personnel which will give them in-job training for up to 14 days annually with regular establishments at any time throughout the year. They will of course do local training with their units for up to 35 days each year.

All components of the reserves will contribute to the Ready Reserve—the RCNR is almost entirely committed to it. All militia units will contribute in accordance within their capacity to do so but no militia unit will be solely committed to this group. The RCAF Auxiliary will also contribute.

The Canadian Regional Reserve

The next group is the Canadian Regional Reserve which will comprise:

- (a) Those units of the Militia and RCAF Auxiliary whose missions are directly related to the Defence of Canada which includes internal security.
- (b) Those individuals of all three reserve components required for the augmentation of the Civil Emergency Organization.
- (c) Those elements of the Militia and the RCAF Auxiliary who will provide task teams, and aerial monitoring and damage assessment reconnaissance capability to the Civil Emergency Organization.

The size of this group is not yet settled although the nature of the tasks they will perform is clear. Recent emergency planning exercises have demonstrated the need for the Canadian Regional Reserve.

The types of mission which will be allocated to reserve units to carry out the Defence of Canada—internal security tasks are shown on this next slide.

DEFENCE OF CANADA AND INTERNAL SECURITY MISSIONS

MILITIA

- a. To train special light forces squadron/company (Commando), capable of rapid deployment within their Region against small raiding parties.
- b. To train sub-units for the protection of key military establishments, vital civilian installations and the establishment of POW and internment camps.
- c. To train logistic sub-units to support a & b above and to augment static logistic units in Canada.

RCAF (Auxiliary)

- a. Perform light transport missions in support of Air Transport Command requirements. (Civil Emergency Organization missions later).

We estimate that some 6,900 personnel will be required to augment the Canadian Forces Communication System and the major headquarters of the Civil Emergency Organization and its task teams. This figure also includes provision for the guarding of key military installations and other internal security organizations such as prisoners of war and internment camps in cooperation with the Royal Canadian Mounted Police.

Militia units assigned missions in the Canadian Regional Reserve will undertake normal basic corps training and will be permitted to contribute to the mobile command reserve if they are able to do so. In addition, many will also be trained to operate as special light forces in the commando type of operation. This will permit them to be available as a contingency back-up and to provide reinforcements to augment regular force units committed to the defence of Canada.

Personnel in this component will be required to train for up to 45 days per year.

The Mobile Command Reserve

The last group we plan is a Mobile Command Reserve. You gentlemen know that the commander, Mobile Command has a world-wide parish. He must carry out Canada's defence commitments to NATO, the Commonwealth and the United Nations. He must also plan for field force commitments in the defence of Canada. He is developing a highly mobile, flexible regular force structure to enable him to deal with a broad spectrum of possible emergencies. The task of the Mobile Command Reserve is to provide a training base from which Mobile Command can either receive reinforcements or be augmented by formed units. The size of the reserve training base will vary as the commitments of Mobile Command change. The commander has requested that a training force as shown on this slide be developed to meet his needs at his present level of commitment.

THE MOBILE COMMAND RESERVE INITIAL PLANNING REQUIREMENT

1. Thirteen Armoured Squadrons (HQ, Recce and Tk)
2. Eleven Artillery Batteries (incl adm and sig tps)
3. Three field Engineer Squadrons
4. Three Signal Squadrons
5. Thirty Infantry Companies (incl HQ, Sp & Rifle Coys)
6. Service Support Units up to the equivalent of:
 - a. 3 Transport Companies. (11 Militia transport companies)
 - b. 4 Major medical units and 5 medical detachments.
(12 Militia medical companies)
 - c. 6 Supply Units. (8 Militia ordnance companies)
 - d. 2 Workshops plus. (11 Militia technical squadrons)
 - e. 1 Provost Company HQ and 2 Platoons. (1 Militia Provost
Company HQ, 2 platoons)

I would like to make three points in explanation:

First

Units of the Militia will be selected to provide basic sub-units to this group. Distribution will be made to regions and districts taking into account the number and strengths of units of each corps in their respective orders of battle. Regional commanders will select units on a competitive basis. Each year the sub-units will be concentrated for collective training at mobile command bases using regular force unit equipment and assisted by regular force demonstrations and other instructions. In order that all militia units are in a position to compete for a mobile command mission, they will of course do basic corps training and be permitted to contribute either individuals or minor elements to the designated sub-units for the collective training period.

Second

While militia units can be expected to fill all establishment positions up to company/squadron level, and some of the positions in the regimental/battalion headquarters, they will not be expected to provide the command structure at regimental/battalion level. To provide this we plan to set up armoured, artillery and infantry, skeleton regimental/battalion training headquarters in the regular force. Four of these headquarters will be supplemented by minor unit training increments for the other corps such as engineers in the supporting services, this next slide will give you an idea of how I propose to locate these headquarters. During the local headquarters training period they will have the following responsibilities working closely with the regional commanders concerned:

- (a) Assist with the coordination of the training of Mobile Command reserve units.
- (b) Control and maintain pools of major equipment within regions.
- (c) Conduct officer and senior NCO training and TEWTs.
- (d) Arrange for the use of regular force equipment and facilities.
- (e) Develop the plans for the summer concentration of units at Mobile Command bases.

Serial Number P.M. 7



Then during the summer concentration these headquarters will command the concentrated units to carry out the training programme designed in co-operation with the commander mobile command.

Third

To permit units to prepare properly for their collective training period with Mobile Command units, we plan to obtain training scales of many major items of equipment in use by the field force units. Weapons, combat clothing and the like will be made available to units while heavy equipment such as tanks and APCS will be available in regional pools which will be under the control of the skeleton headquarters mentioned before. Because the cost of these increases to our present scales involves several millions of dollars we will have to phase the procurement programme over several years. The training time envisaged for this group will be up to 49 days annually.

Gentlemen I propose to put this concept for tasking and missioning all units into effect from the 1 January 1968 because:

- (a) 1967 being Centennial Year, all reserve units will be involved in Canada's birthday celebrations.
- (b) The implementation studies required to give effect to our plan will consume most of 1967.
- (c) New training standards with supporting syllabi must be created for the training required.

In summary then, we foresee the reserves in the future being trained and committed as follows:

The RCNR almost wholly committed to the Ready Reserve.

The militia committed to all three active categories.

RCAF auxiliary committed to Canadian Regional Reserve with individuals provided to the ready reserve and in the future probably to the Mobile Command Reserve.

New civil emergency operation concepts

Gentlemen the aim of this part of my presentation is to outline the new concepts for civil emergency operations and to point up the range of opportunities that it will open to the reserves.

Background

A searching examination has been made of the 1959-60 survival concepts in the light of the latest appreciation of the nuclear threat, the march of events within provinces and developments in the military. It was evident that the former target city concept had to give way to operations conducted on an area basis and that the resources, in both the military and civilian communities, must also be considered on a regional basis. Increased knowledge as to the effects of nuclear explosions and a recast of responsibilities given to the Department of National Defence by Privy council order 1041 of 1965 have all served to change the thinking regarding civil emergency operations in their broadest sense.

The organization emerging from these concepts lends itself to being operative not only in the emergency of a nuclear attack against North America, but it and its equipment is to be used for peacetime civil emergencies. This is a significant point with regard to the image of the reserve units in local communities.

In the past, the bulk of the whole military program was focused on re-entry or rescue operations which is, in fact, one narrow aspect of civil emergency operations. There is much more to it than that. To give you an idea of the range of responsibilities that DND has in the field of civil emergency operations, I would like to show you a summarized version of privy council order 1041 of 1965.

PC ORDER 1965 - 1041 DND RESPONSIBILITIES

1. ATTACK WARNING
2. NUCLEAR DETONATION (Location & Yield)
3. FALLOUT WARNING
4. CASUALTIES & WEAPONS EFFECTS DATA
5. PROVIDES, MAINTAIN & OPERATE EMERGENCY GOVERNMENT COMMUNICATIONS
6. ON REQUEST: CONTROL, DIRECT AND COORDINATE CIVIL EMERGENCY OPERATIONS IN DAMAGED OR SERIOUSLY CONTAMINATED AREAS
7. SUPPORT PROVINCIAL & MUNICIPAL CIVIL EMERGENCY OPERATIONS

You can see by this list, even in its abbreviated form, that the horizon is wide. Please note that items 6 and 7 are inter-related.

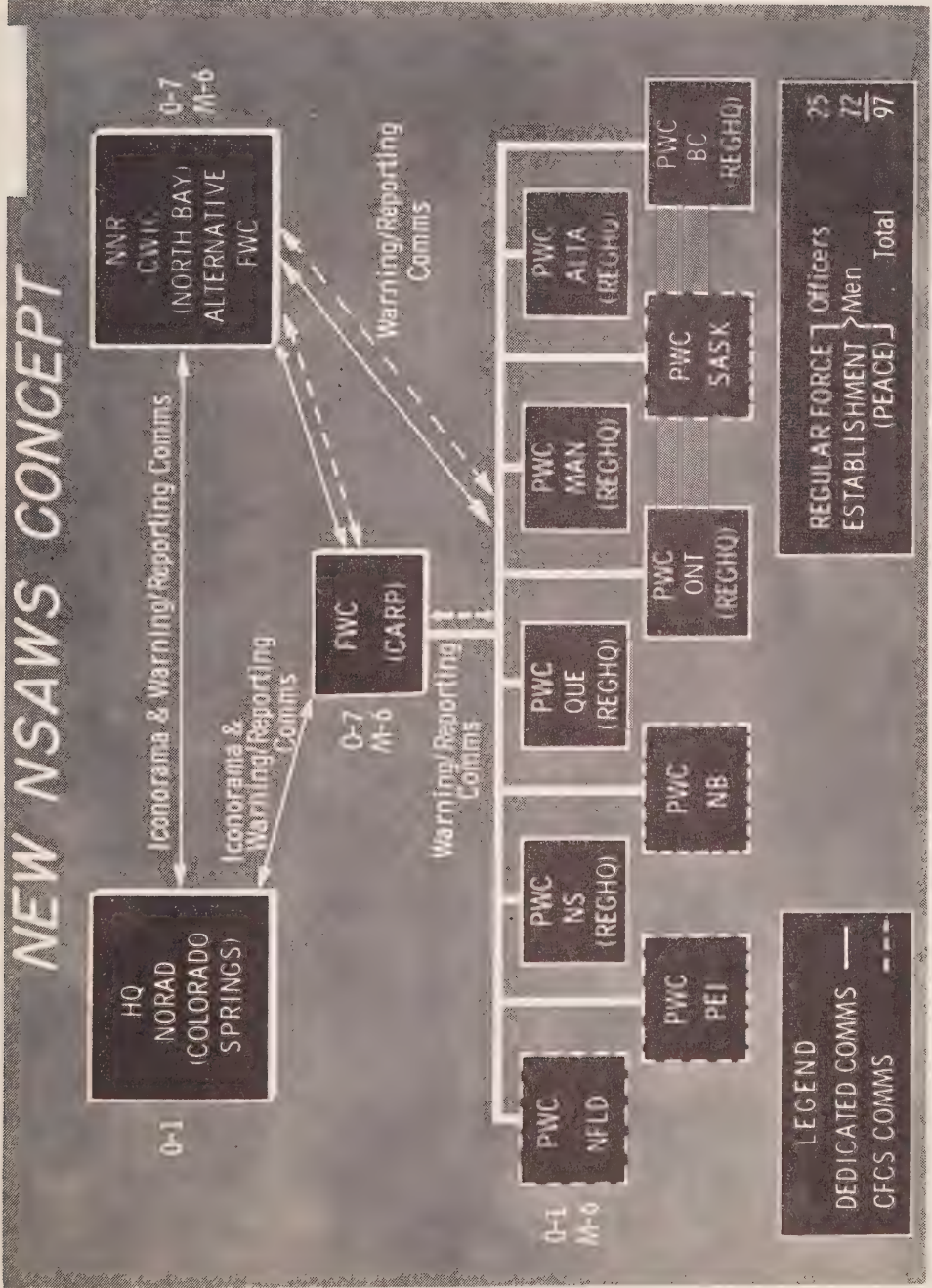
To give substance to several of these responsibilities, I would like to describe three tasks. These are given in the chronological order that they might occur in the event of a nuclear attack. They are:

- (a) Warning the public;
- (b) Nuclear detonation and fallout prediction, casualty and damage assessment, fallout reporting; and
- (c) Post-strike civil emergency operations in the field.

I would ask that you keep in mind that a number of new, interesting, and challenging positions will be opened to the reserves in the warning and nuclear detonations and fallout reporting systems which hitherto have only been regular force participation.

Warning concept

The next slide shows the basic organization of the warning system, less the sirens. The federal warning centre is operated on a 24-hour basis with an Iconorama Screen that has the same information electronically displayed as there is at headquarters NORAD. We also have a Canadian warning information centre at northern NORAD region which is at North Bay. This, together with the Federal Warning Centre, is tied into headquarters NORAD and each of the 10 (provincial) warning centres—one located in each province. The communications means give us a capability of electronic display, teletype, phone and radio back-up. This organization is in being now.



The NDFRS

Using the same accommodation and staff teams, and basically a good part of the same communications, we have the system used for nuclear detonation and fallout reporting, fallout prediction, and casualty and damage estimation.

Although we still call this element the NDFRS, it will be a new system but an integral part of the warning apparatus. As you are interested in its operation, we have designed the next slide in terms of responsibilities and the methods to be employed.

NEW NDFRS CONCEPT

DND RESPONSIBILITIES					MEANS
LOCATE NUDETS	ESTIMATE CASUALTIES & DAMAGE	FALLOUT PREDICTION	FALLOUT WARNING		
REPORT TIME & LOCATION AERIAL & GROUND RECCE				1. CIVIL & SVC A/C 2. DOT MET STAS 3. DOT Aired CON 4. RCMP POSTS 5. FORCES	
	AERIAL PHOTOGRAPHY			SVC AIRCRAFT	
		RAPID & GROSS PREDICTION W/O DETAILED PLOTTING		FWC & PWCs	
			1. URBAN 2. RURAL	1. PROV RADEF MONITORING 2. SVC A/C MONITORING	

Across the top part of the slide DND'S responsibilities are shown in chronological order with the requirement that they generate shown below them. By following the colour code to the right you can see the means we propose to employ to discharge these responsibilities. Taking one example, the estimate of casualties and damage—the green band showing aerial photography runs across to the means, which is service aircraft. It is readily apparent that the reserves will participate in obtaining a photograph, developing it, and extracting information from it which will assist both the provincial and federal governments in making their vitally important decisions.

Post-Strike Civil Emergency Operations

Background. The former concept involved DND in both management and implementation to a degree which was beyond the intent of the current Privy Council order. It also led to the obligation of large stocks of equipment, stores and vehicles, much of which remained unused.

The main elements in the *New Concept* are:

(a) *Operations.* There are two main types of civil emergency operations of primary concern to DND. These are: operations in damaged areas, and operations affecting areas heavily contaminated by fallout.

(b) Division of Responsibilities:

- (1) *Operations:* DND'S prime role is that of management.
- (2) *Planning:* DND to be responsible only for purely military planning and for coordinating the detailed plans and data for all other functions of emergency operations.

The command and control or management apparatus is divided into three echelons and is designed to operate independently of CFHQ.

- (a) *Top Level.* Located at Regional Headquarters, consists of the regional or district commander and his plans and operations section, together with his communications.
- (b) *Middle Level.* Consists of the civil emergency task force headquarters commander, the staff, and communications.
- (c) *Lower Level.* Consists of a variable number of task teams, each one comprising a small headquarters, with communications.

By restricting DND'S primary role to that of management, and conducting operations on a flexible area basis, we achieve these reductions in Headquarters organization and in personnel.

You can see by this slide that the commitment in numbers for the Militia is infinitely smaller than that called for under former plans.

CIVIL EMERGENCY OPERATIONS CONCEPT

ORGANIZATION

TOP
MANAGEMENT

MIDDLE
MANAGEMENT

LOWER
MANAGEMENT

OLD	
REGIONAL EMERGENCY GOVT HQs	10
TARGET AREA HQs	16
MOB SUR GP HQs	40
SECTOR HQs	39
	95
SUR COLM HQs	267
SP UNIT HQs	1790
	2057

NEW	
REGIONAL EMERGENCY GOVT HQs	10
TARGET AREA HQs	16
MOB SUR GP HQs	40
SECTOR HQs	39
	95
SUR COLM HQs	267
SP UNIT HQs	1790
	2057

PERSONNEL

REGULARS

RESERVES

12,650
43,650

1
5000

NOTE: (1) Regular Force personnel from District Headquarters, Instructional Staffs and Logistical and Administrative Staffs (SOLAM) not under Functional Commands.

Opportunities for the Reserves

In the main, meeting the manpower requirement is based on selecting individual officers and men from any corps. However, there is a substantial corps requirement that has emerged at this early stage of planning which, in total, equates to 5 squadrons of armour, and 4 squadrons of signals.

To deal with one example, item 5 on this slide will establish a requirement for some 300 Royal Canadian Corps of Signals who will be trained and employed with the regular force within the Canadian Forces Communications System to release supervisory personnel who must open up and supervise signals centres in the various federal and provincial re-deployment units across Canada. They will do on-job training with regulars in the most sophisticated communications system which we have.

Gentlemen, I firmly believe that these new concepts are realistic. The opportunities emerging from them present this part of the reserves with a meaningful challenge and a major task in the overall spectrum of Canada's defence posture. While, at the moment, major war is considered the least likely form of conflict, we must clearly realize that an effective emergency operations organization is a major factor in making the philosophy of a nuclear deterrent creditable.

The Cadets

I will now turn to our plan for the cadet movement.

The three cadet services—sea, land and air—exist under the respective control and supervision of the Navy, Army and Air Force. These organizations are administered and provided with material support by the services and each has its own regulations and orders. The establishment consists of 1,035 cadet corps/squadrons for a total establishment of 121,500 officers and cadets.

Two public service bodies—The Navy League of Canada and The Air Cadet League of Canada—operate under their own charters and work in partnership with the services assisting in the formation and administration of sea and air cadet units. The army cadets on the other hand do not have a national incorporated partnership but the cadet services of Canada association acts as an advisory group. So much for background.

Concept

The aim of the cadet portion of the reserves study was to review the cadet organization and to outline the best means to obtain the maximum coordination of the three cadet organizations while retaining the voluntary support of the navy and air cadet leagues and other sponsoring agencies.

AIMS OF THE SEA/ARMY/AIR CADETS

SEA CADETS - To give Sea Cadets training in seamanship and other associated subjects; such other training as will develop in them patriotism and other qualities of good citizenship; and to help Sea Cadets who wish to make the sea their career, achieve that ambition.

ARMY CADETS - To provide Army Cadets with a sound knowledge of military fundamentals based on the qualities of leadership, patriotism and good citizenship.

AIR CADETS - To encourage Air Cadets to develop attributes of good citizenship; to stimulate in Air Cadets an interest in aviation and space technology; to help Air Cadets develop a high standard of physical fitness, mental alertness and discipline.

Common Aim

The present aim of each of the three cadet organizations is as shown on this slide. Upon their formation the navy and air cadet leagues established their own aims which were accepted by their service partners. Because these aims reflect similar goals—developing leadership, patriotism and good citizenship in the youth of our country, we feel that a common aim can be attained, and preliminary discussions have already taken place with the national cadet advisory groups.

TRAINING PHILOSOPHY - The appeal of the entire Cadet movement be broadened by a general familiarization with all three environments.

Above not to be construed as an attempt to cross-train between environments, each selected environment being a full career in the Cadet movement.

LOCAL TRAINING -
Part 1

- Common Subject. Certain subjects should be taught to all Cadets:

Citizenship, First Aid, Physical and Recreational training, general familiarization with all environments, discipline, health, drill and rifle shooting.

Part 2 - Environmental Subjects. This part to provide a Cadet with a basic knowledge of subjects which are peculiar to his chosen environment.

Part 3 - Optional Subjects. Bandsman, Signals, Electricity, Photography.

Training

It is our intention that the training philosophy of the cadet movement be common as far as possible while preserving the three distinct environments. The appeal of the entire cadet movement to be broadened by general familiarization with all environments but not to the extent of cross-training.

We also consider that we can bring the three cadet organizations closer together at the local level by introducing standardized common subjects for one part of their program.

Certain developments are now required to improve the coordination of the three organizations within the framework of the changes in the organization of their service partners.

However, application of these plans for the cadet movement must be gradual and we must preserve our ability to properly direct their efforts within their environmental fields and, at the same time, to enhance our co-sponsorship of this worthwhile youth training program.

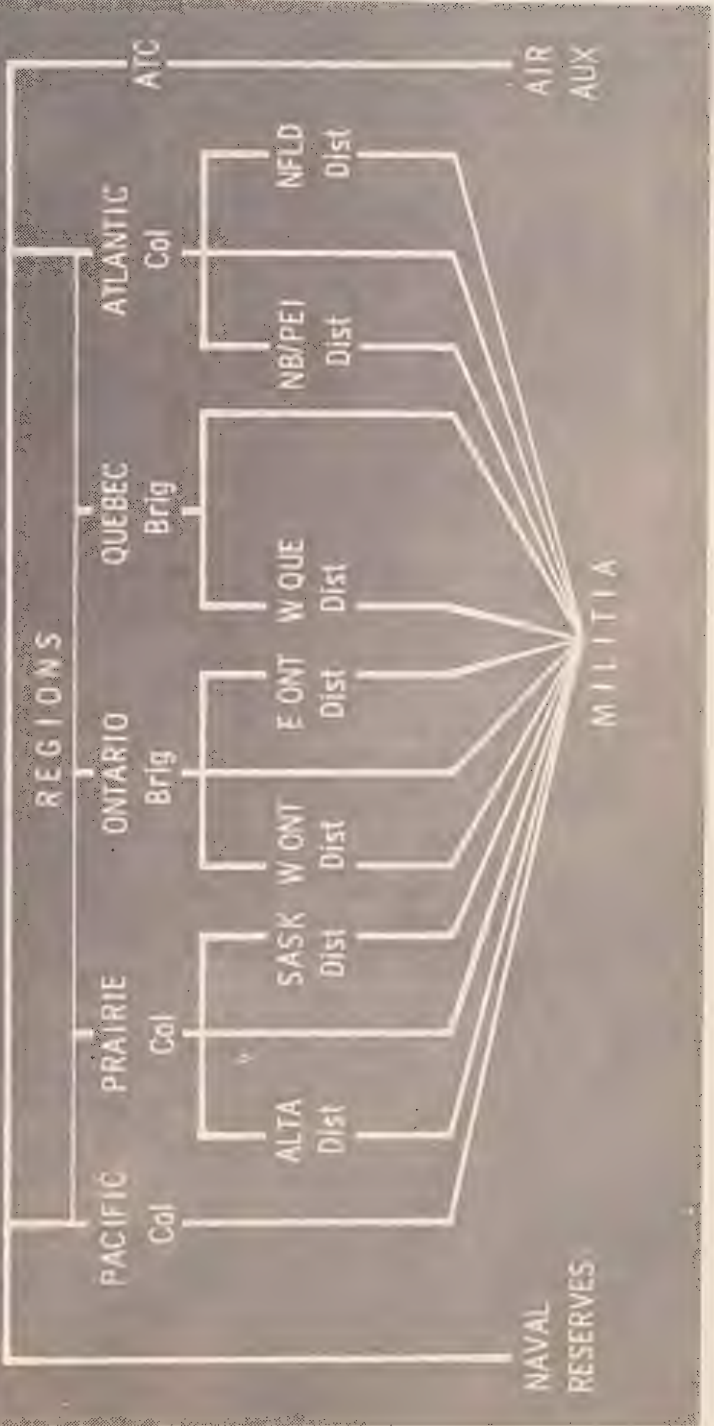
In summary, to achieve the proper relationship we will be making some changes in regulations and procedures (particularly command and control), personnel policies, local and summer camp training. These changes were discussed with the presidents and senior officials of The Navy League of Canada, The Cadet Services of Canada Association, The Air Cadet League and the colonel commandant of The Cadet Service of Canada at a meeting with us at CFHQ on 15th December, 1966. Certain changes were agreed upon while others are still the subject of further study. It can therefore be seen that progress is being made by all interested parties. In doing so we are confident that we will be improving the cadet movement by a broader based appeal to the youth of Canada and, at the same time, doing so in the most efficient and economical manner.

Command and Control

Gentlemen, my final presentation represents our plan for command and control.

The present arrangements include headquarters commanding officer naval divisions, 12 district headquarters, a section with air transport command, and a number of air cadet liaison groups in four functional commands based on the old air force field structure.

COMMAND *and* CONTROL



Deputy Chief reserves must have a clear system of direct command and control to all components. To this end Headquarters commanding officer naval divisions should operate from CFHQ. A modified geographical organization is the best arrangement through which to control and train the land forces and cadets, and provide for our regional civil emergency responsibilities.

The present structure therefore, will, be redesigned along the following lines:

(a) The headquarters of COND in Hamilton will be relocated and the naval divisions will be controlled from CFHQ. The director general reserves will command the naval divisions on behalf of deputy chief reserves, assisted by a director of Maritime Reserves with the rank of full Captain and no change.

(b) The command and control of the land reserves and the Civil Emergency operations Organization will be modified to:

- (1) One regional headquarters based in Vancouver for the province of British Columbia;
- (2) One regional headquarters based in Winnipeg covering the Prairie Provinces and the Territories, with a district in Regina and Edmonton;
- (3) One regional headquarters in Oakville for Ontario, with districts in London and Ottawa;
- (4) One regional headquarters in Quebec City with a district in Montreal;
- (5) One regional headquarters in Halifax for the Atlantic provinces with one district for New Brunswick/Prince Edward Island in Fredericton and another in St. John's for Newfoundland.

(c) Control of the air auxiliary will temporarily continue to be through the RCAF Auxiliary Staff section at headquarters Air Transport Command until such time as the auxiliary squadrons' roles are reviewed.

(d) And finally, a cadet organization controlled by the director of cadets, CFHQ, with local detachments based in the regional and district locations across the country. We propose that the director of cadets on behalf of the Deputy Chief Reserves will be responsible for training policy and its implementation through a cadet coordinator at regional headquarters. The regional commander will be responsible for all cadet matters except training and liaison with provincial leagues or associations. This liaison will be the responsibility of the respective environmental cadet officer at region or district headquarters. The command and control concept and terms of reference for this organization have been discussed with the national cadet advisory groups and we hope to achieve final agreement by mid-April.

Regions will be commanded by regular force officers within the present rank structure.

Districts will be headed by reserve officers in the rank of Colonel assisted by a regular lieutenant-colonel staff officer and a small staff, thus providing a back-up for day-to-day business. The district commander reserves is of course precluded by regulation from commanding either those regular force personnel

at the district headquarters or regular troops who may be employed in a civil emergency unless he is called out on full-time service. His primary concern will be, therefore, as his name implies, the reserves within his district, although he will have such provincial responsibilities as he and the regional commander may delegate.

Summary

(a) *Reserve Tasks.* The primary task of the reserves will be to provide reinforcement to the regular forces in emergencies. Their secondary mission is to assist in the development of a training base if such should be required.

(b) *Categories.* To meet these tasks the reserve will be divided into 6 categories: The Ready Reserve, The Canadian Regional Reserve, The Mobile Command Reserve, The Supplementary Order of Battle, The Miscellaneous Active Reserves, and the Supplementary Reserve lists.

(c) *Cadets*

- (1) A common aim will be established for the cadet movement;
- (2) The three environmental components will be controlled by a unified system under a director of cadets at CFHQ;
- (3) The present partnership with the navy and air cadet leagues will remain unchanged, and The Cadet Services of Canada Association will have an equal voice in the National Cadet Advisory Group;
- (4) The three current service regulations will be standardized.

(d) *Civil Emergency Operations.* The civil emergency concept as presented represents a plan which equates our resources to our responsibilities and allows us to meet these responsibilities in a realistic and economical manner.

(e) *Command and Control*

- (1) The commanding officer naval divisions will move from Hamilton to CFHQ;
- (2) The command and control structure of regions and districts will be redesigned after a detailed on-the-ground study of establishments, which is now underway;
- (3) No change will be made in the present control of air auxiliary squadrons pending a re-examination of their tasks after the air component of mobile command is decided upon.

Conclusion

In conclusion the changes in the regular structure must be reflected in the reserve force if they are to perform tasks assigned to them. We believe our plan achieves this and will produce a reserve with meaningful goals in the most economical manner.

That then is the plan which we intend to implement by January 1, 1968. I am convinced that it presents to the reserves an interesting, stimulating and challenging future.

The CHAIRMAN: General Dare will now join us up here. Mr. Winch is first on my list.

Mr. WINCH: Mr. Chairman, I would like to direct a question to General Dare. It is a simple question but a statement is required in order to make the question completely understood.

I have been most impressed with what General Dare has presented to us in respect of the future of the reserves. I note, however, that there is one thing which in my estimation, is missing and a beautiful picture and plan means nothing unless a certain aspect is taken care of. I had the honour, Mr. Chairman, to be a member for four years of the Irish Fusiliers, Second Battalion, Vancouver Regiment. For most of those four years I was either a sergeant or an officer, and I was an instructor in weapons. May I tell General Dare, through the Chairman, that during my four years in that regiment I instructed on weapons. I do not know how many hundreds of men have passed through my hands on TOETs. This is what actually occurred: in four years as weapons instructor on two types of light machine guns, only once did those hundreds of men ever fire the light machine gun. I instructed them for four years on three types of submachine guns, and no one in those four years in the Vancouver regiment ever fired an SMG including myself, the instructor. I instructed for four years on two types of anti-tanks .55; no one in four years ever fired the anti-tank, including the instructor. I taught in the use of grenades; one of the things we had to teach was that you could fire a grenade from a rifle, but no one in four years in the Irish Fusiliers—this was during the war—was ever able to find out how it was done because it was all words. I also instructed officers on sidearms and only once in four years was I given permission to enable them to fire a sidearm, and although I had done my best to tell them that with a .45, with a short barrel, to aim low because it comes up, everyone except one had put their bullet through the ceiling and not on the target.

Mr. Chairman, I think General Dare now knows what I am driving at. You can listen to a beautiful presentation but unless they can fire what they are being taught to fire they are not really in combat readiness.

I just want to add that as a member of this Committee I was in Gagetown about a year or 18 months ago when they were on three months active force exercise. It was the same thing: insufficient ammunition to really test themselves as active force men. So, having put it this way, sir, my question to you is: What is the use of this beautiful program unless you are going to give them, not just their TOET, not just the type of work that I did for four years with hundreds of men, but the opportunity to be able to fire? What are your plans in this connection. Will these men be given the opportunity to properly familiarize themselves with these weapons, and will the firepower be made available to them?

Mr. DARE: Let me answer the reserve part of it, sir. This is precisely what our intention is. As realistic as it is, if I may say so, as part of our detailed study we have put in our training equipment requirements. I also hope to make this training program a bit more fun and a bit more of a challenge. It is my sincere intention to see to it that the reserves will not waste their time.

Mr. WINCH: Can you understand, sir, that for four years I was instructing and I never even fired an anti-tank, an LMG, an SMG or a grenade from a rifle.

How do you hold the morale and the interest of the reserves when they cannot fire.

Mr. ROCK: Mr. Chairman, may I ask a supplementary?

The CHAIRMAN: There was a question of Mr. Winch's.

Mr. WINCH: You say that you are going to give them more firepower.

Mr. DARE: Yes sir.

Mr. ROCK: Mr. Chairman, may I make a remark at this time.

The CHAIRMAN: Is it an amplification of Mr. Winch's question?

Mr. ROCK: Well, in a sense. I would also like to make a statement. During the war the trainees used to get instructions about all types of firing weapons but none of us ever went through the firing process until we were assigned to a ship. This was in the navy, of course, and it was not until we went through operations on a ship—what we called work-ups—did we learn how to fire. However, we had a complete knowledge of every type of gun, depth charges and so on. All you obtain in training is a knowledge of the equipment and you do not experience the firing of this equipment until you are attached to a certain unit.

The CHAIRMAN: Excuse me, Mr. Rock, but I believe General Dare would like to comment on Mr. Winch's questions.

Mr. WINCH: I have only one more question, then I am through.

Mr. DARE: Mr. Winch, what we intend to do is, as I say, provide training scales on a realistic basis, available to the units locally on a pool basis. This will not apply in so far as major equipment is concerned—and I am speaking now of tanks and that type of a,b,c, major equipment. However, the individual weapons necessary for the operational role of the individual will be available to him and it is our planned intention to give him that realistic training of which you speak.

Mr. WINCH: I would like to ask just one more supplementary. I am going back now to Gagetown where I was about a year or so ago; I was also there a couple of weeks ago. A number of officers who are gunners think that one of their problems in holding morale is the limitation which you place on the number of actual shots a year which they can fire. Mr. Hellyer, can these not be increased?

Mr. HELLYER: I am sure that there is always a limitation regardless of the scale, unless it is really a very generous scale.

Mr. WINCH: They are allowed five a year as a gunner in active service.

Mr. HELLYER: The General can correct me if I am wrong, but there have been this year, for example, competitions amongst artillery units to be flown out to Shilo for an exercise involving live firings. I have visited some units and talked to some officers and men who were out there and they were just delighted with this opportunity. Incidentally, this is one of the real benefits of the reorganization. I think it is fair to say that three or four years ago air transportation would not have been available to them. It is readily available now; they have taken advantage of it and units have been flown to Shilo for gunnery training, and other units have been flown to various other parts of the country for training on the ground. I should not be speaking for the General here, but I hope this trend will not only continue but will accelerate.

Mr. WINCH: May I direct this question to General Dare. I am going back to the four years when I was an instructor. What is the use of me talking about the anti-tank, which is a .55, and telling them how it should be held at the shoulder to cope with the repercussions, if they do not actually shoot it and know that if they do not hold it right they can dislocate their shoulder. What is the use of talking about that if they cannot fire it in order to learn.

Mr. DARE: I am not disagreeing with your philosophy. What I am saying is that we intend to give realistic training to those who are missioned to the field force roles.

Mr. FANE: Mr. Chairman, I would like to say a word at this time about the difficulties Mr. Winch is talking about. Mr. Winch stated that the men he trained never had an opportunity to fire. I suggest there must have been regional difficulties there. General Dare knows full well that the units I was attached to before the last war, and after, had very great opportunities to fire all kinds of weapons that were made available to them. You know that very well, General Dare, because you were present at Wainwright and, I believe, at Sarcee Camp.

Mr. WINCH: The GOC of Western Command was General Pearkes and maybe he did not supply us, sir.

Mr. FANE: Not at that time. It must have been a regional difficulty if Mr. Winch, in his area, did not have an opportunity to use the weapons with which he was training his men. I experienced no difficulty in my area.

Mr. WINCH: And that is why we were short.

Mr. FANE: I suppose so; we used them all.

Mr. LANIEL: Mr. Chairman, Mr. Winch spoke of the training of personnel. My question is more related to the training of officers and senior NCO's. If I recall the operation I saw in 1962, from my point of view then it was a poor show because we did not know what was happening. We were hoping that nothing would happen, because we could not think of any means on paper by which we could bring our unit to strength or call up any aid to support us. I hope that there is, in your program, something laid down as to the preparation of your officers and senior NCO's at the local unit level and the provision of information in preparation for any emergency.

Mr. DARE: Sir, in our plan is a revision to all training of officers, NCO's and men. In the case of the officer training program—I suppose it does not really matter now because most of the unit commanders know about it—effective next year we are going to dispense with written examinations in the reserve force. The basis for basic officer qualification is going to be more realistic and practical, and it will be based on a practical assessment of the individual's capabilities, both in a general sense and in his corps specialty. These examinations, I am afraid, have grown—and I share full responsibility for this way back in 1960 when I was Director of Military Training—into a paper exercise, and I suspect this is what is in your mind.

An hon. MEMBER: Yes.

Mr. DARE: I assure you that I would have cancelled it this year, except I was counselled by my staff—and I take full responsibility for it—that so many people had done so much work, it would be a shame not to let them have a bash. So, we

are setting the examination, and this will be the final year of a written theoretical examination. A similar policy of practical training is also intended for the non-commissioned officers.

Mr. LANIEL: I hope this will include at least programming implementation and decision-making at a lower level; no decision-making in the military sense of going into action or operating a weapon, but the interpretation of a plan or a program.

Mr. DARE: That is intended.

Mr. LANIEL: Another thing is that I did not see anything in your presentation relating to the maintenance of peace in peacetime. I mean that you do not touch at all—I do not know if this is done purposely—on the question of riots or civil disorders.

Mr. DARE: That is aid to the civil power.

Mr. LANIEL: Well, you mention that in the capabilities, but when it comes to the roles I cannot find it. Is that done purposely? Because I think that when an emergency develops in Canada, I would prefer to see the local reserve go into action rather than to call a regiment, because then you upset the people. You want to give to the cadet, as mentioned on page 14,

. . . developing leadership, patriotism and good citizenship. . .

If you do the same with the reserve and militia, these are the people who, if they get that training, are best qualified to deal with any local subversive activity or riots, instead of using the army where the government comes in and imposes a decision by outsiders.

Mr. DARE: We are intending to make the reserves emergency response more applicable to the local area. But I have not, quite honestly or frankly, meant to infer that this was that type of thing. The Vice Chief may have something to add here but, fundamentally, I think the present departmental policy is to respond to that type of situation with regular forces. There are many reasons for this; one is that the local reserve unit may have difficulty within the community at the time or later, and it was thought for a long period that possibly regular forces were the best suited. Now, as I say, I really would not want go beyond that; it is outside my parish. But the types of things that I am hoping we of the reserves will do is to move into the civil community in the nature of emergency flood conditions which we have done to date; but I am hopeful that we can develop a closer relationship and a better image in the local community on a day to day basis. But, I must confess, I was not speaking of aid to the civil power in the form of riot suppression and so on.

Mr. LANIEL: Thank you.

Mr. FORRESTALL: This is not quite so much a question Mr. Chairman, but I was wondering if the General could make available to us, the present strength of the militia structure because it was a little difficult to pick out in going through it. Could you, from your very obvious work detail knowledge, tell us, for example, how many there are in the RCNR and the auxiliaries?

Mr. DARE: Yes sir. At the present time the gross total of the RCNR active list is 581 officers and 2,372 men for a gross total of 2,953; the Canadian Army Militia, 3,387 officers and 25,535 men for a gross total of 28,872; the RCAF

Auxiliary, 279 officers and 556 men for a gross total of 834. The gross total for reserves is 32,660.

Mr. FORRESTALL: Thank you, General. For the time being that is all.

Mr. MCINTOSH: I have two questions, and one is for the Minister with regard to a remark he made just a few moments ago about flying cadets to summer camps. As he well knows—

Mr. HELLYER: I did not say cadets Mr. McIntosh; I was talking about reserve units.

Mr. MCINTOSH: Well, I might as well continue with my question regarding to cadets. It was done this summer on chartered planes, I understand, and some of those chartered planes had trouble en route to and returning from these camps. I hope the General will take notice of this and see that it does not happen again, because we had severe criticism as politicians that such a situation would exist that the Department of National Defence would take chartered planes that possibly would not be passed to fly civilians in. I hope you will take notice of this. I think I brought it up in the House and I do not want to say anything further on that.

I might say, before I ask the General a question, that this is the first time his orders to me have not been clear and well understood. I ask this question, General: What do you mean on the bottom of page 14:

The appeal of the entire cadet movement to be broadened by general familiarization with all environments but not to the extent of cross-training.

What do you mean by that?

Mr. DARE: I apologize if I have not made myself clear. We are not trying to make a hybrid of the young cadet. What we hope to do is just broaden the appeal to the youth of Canada by letting them have a little look at an aeroplane, if they happen to be a land cadet, and a step aboard a ship in a general sense, purely as part of a familiarization program. We do not believe, realistically, that there is enough time in a cadet's life for him to become a multi-man, so there is no thought of trying to convert the sea cadet, the air cadet or the land cadet, into a hybrid. I do not think these youngsters are any different than we were in our day; they just want to do things quicker.

Mr. MCINTOSH: Thank you.

The CHAIRMAN: Did you have some other questions Mr. Forrestall?

Mr. FORRESTALL: No.

Mr. LANIEL: General, will there be any horizontal relation between cadets and militia units?

Mr. DARE: Yes sir. I hope that, in so far as the land force cadets are concerned, we will have a sponsoring body from the local militia units wherever humanly possible. I think the cadet corps themselves—and the Director of Cadets would agree with me—benefit very much by association. However, sir—if I may just expand here for a second—I am not sure what your personal views are, but I do not really want to sponsor the cadet movement as a recruiting agency for either the regular or the reserve forces. What I want to do is sponsor

a worthwhile youth program which breeds into these youngsters the meaning of leadership and a bit of love of our country. And yet, if a dividend comes from it and we get this young man into the services, reserves or regular, that to me is a bonus.

Mr. LANIEL: You can be sure that I stick with youth programs, because I go very much further than that. But I still think our reserve units have been growing old, and that you can get keen men and keen potential officers from the cadets.

Mr. DARE: I agree.

Mr. LANIEL: Not someone that wants to go there to have an adventure, or to get some extra dollars or something like that; actually those who are keen to learn. This is the problem, I think, with the reserves.

Mr. DARE: I do not think for one minute—I know that many of the gentlemen around this table are ex-members of the reserves of sea, land or air—that the individual will join the reserves on a purely financial basis. I think it is a hobby and it grows to be a love, and if we give the right training program to the youngsters I think we will lead them in the proper fashion.

Mr. WINCH: Could I ask a supplementary question here, Mr. Chairman? There was a problem in the four years that I was in the reserves, and that was when we went to camp. Some companies, but very few, would pay the salary difference while we went to camp. But, in the majority of cases, the men had to go and you know the amount of pay you get as a reserve going to camp is awfully low. Has any consideration been given to assisting reserves going to camp which, as a general rule, is two or three weeks, in the way of a remuneration to enable them to do so? A great many of them are married.

Mr. DARE: You will realize, sir, that your question is outside my—

Mr. WINCH: You are in charge of reserves.

Mr. DARE: Yes I am, but I am not in charge of industry. As the image of the reserves emerges with the pattern that they are a definite part of the posture of the defence of Canada, and emphasizing their operational aspects should some emergency situation arise, we would hope, with this changing image and what they are going to do is meaningful, that we would get the cooperation of industry. But beyond that, sir, I cannot go.

Mr. WINCH: There is no consideration of remunerating the men? Let us look at it this way: You are married, you go, the industry will not pay you; but you go even though you are married. Is there any consideration ever given to making a family allowance in addition to your straight pay? I think that would be of great assistance. Now, if a reserve goes, and he is married, why should he not have a family allowance the same as anybody else? Perhaps I could direct that question to the Minister.

Mr. HELLYER: A family allowance Mr. Winch? I am sorry I was—

Mr. WINCH: I say, this is my experience in the 4 years: We went to camp every year. Very few industries would pay the men while they were gone the two or three weeks, or whatever it was, and the majority just had to go on their own. They were paid strictly the same basic reserve rate, which is pretty darn

low. I am asking whether you have thought of giving those married men who do that, in addition to the basic pay of the reserve, a family allowance for the time that they are away?

Mr. HELLYER: As you probably know, Mr. Winch, a bonus was established some time ago, which I think was really meant to fill that function. It was subsequently recommended that the bonus be deleted. Some industries do pay—

Mr. WINCH: But very few.

Mr. HELLYER: —their employees but I think you are probably correct in saying that there are very few. In other cases employees take a week of their holidays and go on training.

Mr. WINCH: I assure you it is not a holiday, sir.

Mr. HELLYER: No, but it is very enjoyable for those who like it and many do, and as the trend to longer holidays develops, I suspect this will become perhaps more of the norm than has been the case in the past. I do think, however, it might be a good idea to write to some of the leaders in industry and encourage them to cooperate to give their employees, to the maximum extent possible, whatever they feel they can do to assist and I think this is a good suggestion. Perhaps the General could prepare something that I might send out to some of the leaders in industry.

Mr. CHURCHILL: I just have two questions. I thought the presentation was good and the plan looks very attractive and I think life will be more interesting for the reserves and the cadets. My question, though is this: On slide No. 6 showing the mobile command reserve, you have there 13 armoured squadrons and 30 infantry companies; where do we stand with the regiment and the battalion? Is there no such organization for these?

Mr. DARE: Taking your corps and mine as an example, if I may, we think the largest realistic organization we can expect is a squadron, battery or company level. I am sure, from your many years of experience, you would agree with me. We have no intention of mixing, in any way, with the regimental structure at local headquarters. The commanding officer, second in command and all the regimental headquarters will remain; nor do we intend to so narrowly organize a unit that we have commissioned to confine that squadron to just the specifics in, say, an establishment of 156, which is what General Anderson's new operational squadrons of armour are. We will allow, within the framework of the present major and minor unit—because we know that you cannot just have 156 or 146 people and have them all turn out for major training activities—a cushion of a training squadron to back up that regimental commander, and there is no intention of changing his particular headquarters in any way.

Mr. LANIEL: Mr. Chairman, you say the heavy reserve will not be attached to any local unit; it will be earmarked for a specific function in case of emergency.

Mr. DARE: They will belong to an infantry battalion, the home battalion or regiment and so on.

Mr. LANIEL: Where will you get these people? Will you get them from the reserve, or will they be ex-service men?

Mr. DARE: No sir, these will be from the reserve and the units who are assigned; as Mr. Churchill suggested here—an armoured squadron. Then we might want six, twelve or more officers from that unit in addition to that squadron and they will be people who are earmarked to specific vacancies which exist in the regular force structure. They will receive in-job training—I think this is new—at any time throughout the year, because we want to get away from our old, rather rigid, system where we would accept people for training only during, say July and the more popular summer months. All we are doing here, of course, is competing with the family interest of getting to the cottage, and so forth. So, if November or February is the time that the individual can get off, he can come and train in his emergency appointment at any time.

Mr. WINCH: This comes to my mind now, because of the question—it may seem strange, but it does. Could I ask the General if, on the training of the reserve forces it is your intention to have an active force A.I. as instructor and adviser to each unit of these reserves?

Mr. DARE: No, sir,

Mr. WINCH: Who will do the actual instruction, then, if it is not an A.I.?

Mr. DARE: I intend to pool our instructors; in the case of those units that are earmarked for mobile command roles, they will be pooled under these skeleton regimental commanders. They will be available on a pool basis, and in the case of units which are part of the Canadian regional reserve, they will also be pooled and they will do the advanced instruction.

Mr. WINCH: To the NCO's and officers?

Mr. DARE: Yes, sir. What I want the reserves to do, once qualified is to take on—I am sure you would agree with me—the basic instruction which is within their capability.

Mr. WINCH: You will have an active service A.I. from the pool who will instruct schools of NCO's and officers of reserves?

Mr. DARE: Yes sir.

Mr. LANIEL: Referring to the summer courses for students which have been going on for the past three or four years, do you believe this is reaching any kind of goal?

Mr. DARE: All I can answer is that the majority of my conversations with commanding officers from Victoria to St. John's Newfoundland, indicate that they think it is a very worth while contribution to their recruiting.

I am surprised you indicated that you felt they were old, because as one travels the country—as one does pretty frequently—they keep telling me that we are a little too rough on the age limit, and that there are more than three or four years left in this perfectly good soldier which, under our present limitations, we are forcing them to release.

Mr. LANIEL: I do not mean that youngsters do not come to see me to try to get on these courses, with which I have nothing to do, but still I was questioning the military advantage of it.

Mr. FORRESTALL: Mr. Chairman, may I ask the General a question which occurs to me? It may very well have been dealt with. Will the reserves go into a common uniform as well?

Mr. DARE: There is nothing in that document about common uniform.

Mr. FORRESTALL: I did not think so.

Mr. DARE: This obviously is a matter in which the reserves will ultimately follow the regular forces. I think that you are well aware, sir, of the present position. As I remember it a question was asked yesterday as to the position of the common uniform. Some day, no doubt, this will be the uniform of the Canadian forces, if that is approved and if that is the decision. I would not hold my breath at the moment about the immediate availability within the reserves.

Mr. FORRESTALL: So, for the foreseeable future they will stick to the identifiable uniforms.

Mr. DARE: We are certainly not number one on the priority list for the provision of a new uniform when and if it is approved.

Mr. HELLYER: Mr. Chairman, I wonder if I might answer at this time a few questions that were raised earlier. Mr. Harkness raised the question of the cost of pilot training. Air Marshal Reyno quoted in his reply certain figures which were really at the operational level. I think the standard that Mr. Harkness had in mind at that time was wing standard, and this is a sort of constant yardstick which has been used publicly from time to time.

On May 11, 1964, when a question was asked in the House about the training cost for a pilot to wing standard for the years 1943, 1953 and 1963, the reply was in 1943, \$32,000; in 1953, \$54,000; in 1963, \$85,000. This has been updated to the 5th of May 1966 when the cost of training a pilot to wing standard has gone up to \$116,000.

One of the reasons for this, as we mentioned earlier today, is due to the higher costs of operating current airplanes. Just to give hon. members of the Committee some indication, I might give 4 airplanes which are now no longer in service and 4 which are, and the comparable per hour flying cost. The Sabre, for example, which is no longer in operational use, although we still have a transitional unit, costs \$147 an hour to fly; the CF 104, on the other hand, costs \$431 an hour to fly; the CF 100, which we still have in our electronic warning unit at St. Hubert costs \$218, whereas the CF 101 which is now the operational follow-on is \$301 an hour; the Harvard, which has been retired as a trainer was \$28 an hour—that sounds low; it sounds good, anyway; the Tutor costs \$119 an hour, which is much more expensive. Then in the transport field, the North Star was \$265 an hour and the Yukon \$577.

I think this gives an indication of the order of magnitude of the increase in cost and would account for most, though perhaps not all, of the difference in training pilots to wing standard during that period of time. Obviously, with the costs I just mentioned in flying time an hour, by the time they go on and through operational training units and become fully qualified pilots with a green ticket—its that the right terminology?—a great deal of additional hours have been logged and, consequently, at a much higher cost.

Mr. WINCH: Are you by any chance challenging the statement this Committee was given this morning that from a young man off the street to a jet pilot overseas, the cost is \$500,000 a man?

Mr. HELLYER: No, I am not challenging that; it depends entirely on the number of flying hours that he has had.

Mr. WINCH: That was a definite statement of the cost made by the Air Marshal.

Mr. HELLYER: I think the Air Marshal would admit, though, that some of them have more hours by the time they go than others and therefore this would be the—

Mr. WINCH: I interjected and said: "Do you mean \$500,000 per man for that?" and the Air Marshal said, "Yes". Now you are not challenging that statement?

Mr. HELLYER: No, I am not challenging it.

Mr. REYNO: I could read the requirement sir, and I intend to do so: Taking a pilot from the street; training him to wing standard; through the operational training unit at Cold Lake and giving him enough flying hours so that he is trustworthy enough to sit on top of a nuclear weapon in Europe. The actual figure by costing that I confirmed myself tonight is \$507,000.

Mr. FORRESTALL: Could I just ask the Air Marshal this: How many hours would this man have in the air in total? Twenty-five hundred, three thousand, by the time he is qualified, or would it be in the order of a thousand?

Mr. REYNO: The latest—we call them pipeline pilots—would have close to eight hundred hours. Air Marshal Sharp might know more about it than I do.

Mr. SHARP: I think that it would be a little lower than that; six or seven hundred, I would say.

Mr. WINCH: Flying hours, in order to equip him as a top jet pilot to handle a nuclear aircraft in Europe?

Mr. SHARP: Yes.

An hon. MEMBER: With the warhead under it?

Mr. WINCH: No, the Americans control the warheads.

Mr. HELLYER: May I answer one other question which was raised, I think, by Mr. Forrestall, in respect to the ships and commissions. As of Thursday February 9, 1967, 21 ships are in commission on the east coast and 7 on the west coast. These include all post war destroyer escorts. Eight of these 28 ships are undergoing refit and repair to machinery; 2 are in civilian shipyards, and six are in two dockyards. Of the remaining 20, two post war destroyer escorts, two wartime built destroyers and a wartime built frigate are manned at a level where they are not assessed to be fully effective operationally. One of these ships is doing trials on new equipment; three are preparing to transfer to the west coast later this month and one—a war time built frigate which will pay off to disposal shortly—is used for training on the west coast.

Twenty seven of these ships could be put to sea as effective operational units within 30 days in an emergency. The exception is *Bonaventure* which is under-

going an extensive refit and would take longer to return to an effective operational state. Sixteen of the ships are ready for immediate operations. Only the second world war destroyer *Athabaskan* is alongside at Shearwater and she is being held in cold reserve as men are not available to man her. There are six other ships in the inventory at Halifax.

Four mine sweepers will be commissioned in April, 1967, for the summer months to train ROTP cadets, Royal Canadian Naval Reserve personnel and to carry out visits to coastal communities to take part in Centennial celebrations. The diving tender *Granby*, floating classroom and accommodation ship for naval divers, is alongside in Dartmouth; her engines are inhibited. Finally, there is the frigate *Swansea*, awaiting disposal by Crown Assets Corporation.

Mr. FORRESTALL: Would she be tied up at Shearwater, Mr. Minister? There is certainly more than one ship tied up at the jetty at Shearwater; I think there are four.

Mr. HELLYER: This is not material in any sense, but it was confirmed by telephone with the commander at Maritime Command, but whether this one was also there today or not I could not say.

Mr. FORRESTALL: Thank you very much.

The CHAIRMAN: The bells are about to ring. Does that conclude the questioning?

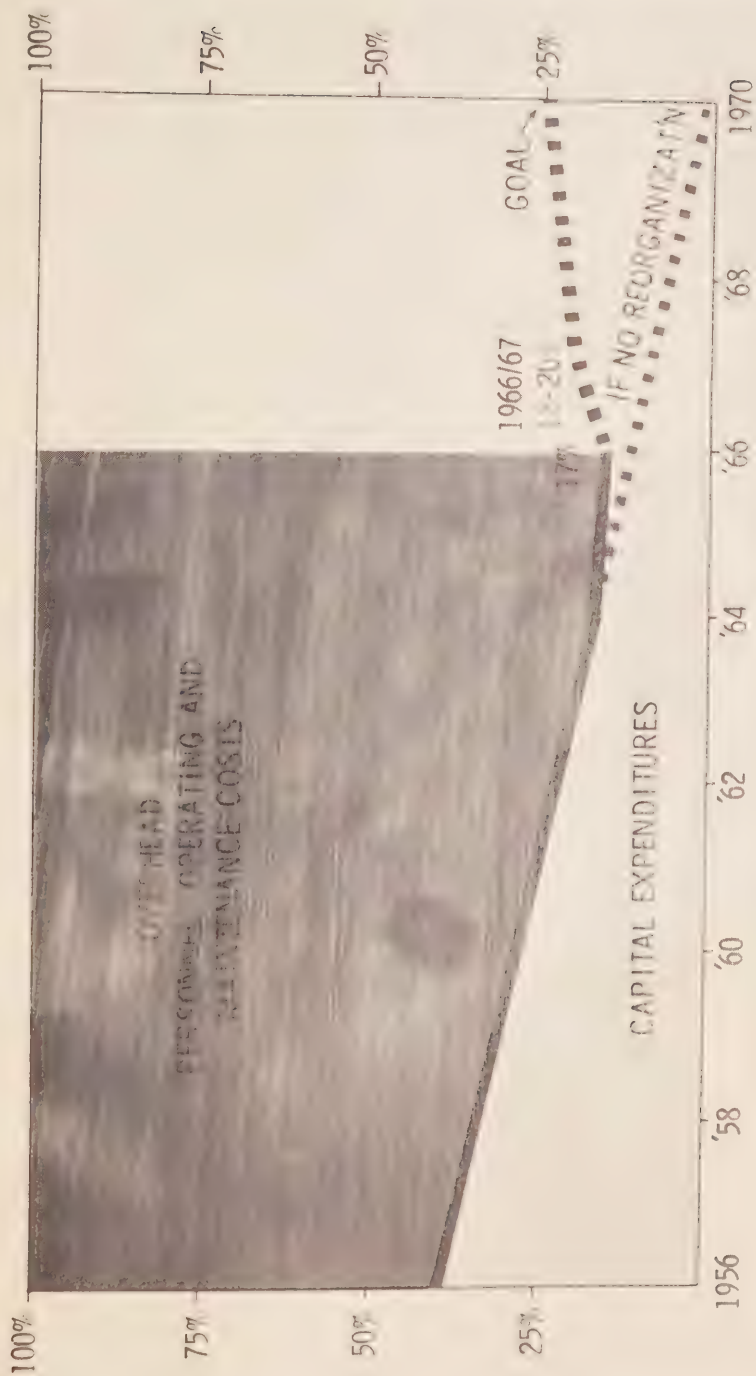
Mr. HARKNESS: I have a question on the matter that Mr. Churchill brought up. I am concerned that the role of the reserve forces is evidently downgraded to that of providing individuals who are trained or semi-trained, and of sub-units. I would think this generally leaves the unit commanders in the regimental headquarters of these units more or less as fifth wheels; there is really no place for them in the organization.

Feb. 9, 1967

NATIONAL DEFENCE

725

DEFENCE SERVICES EXPENDITURES



BINDING SECT. JAN 21 1969

